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2 September 2024

**Members of the
Finance and Resources Committee**

Chief Executive's Office

Archie Aitken
Chief Officer (Legal & Democratic)
Civic Centre, Windmillhill Street,
Motherwell ML1 1AB
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Notice is given that a Meeting of the **Finance and Resources Committee** is to be held in the Council Chamber, Civic Centre, Windmillhill Street, Motherwell, ML1 1AB on Wednesday, 11 September 2024 at 10:00 AM which you are requested to attend.

The agenda of business is attached.

Archie Aitken
Chief Officer (Legal & Democratic)

Members :

A Duffy-Lawson, T Fisher, A Ballinger, A Beveridge, M Boyd, G Brennan, A Bustard, T Carragher, C Costello, S Coyle, D Crichton, G Currie, K Duffy, H Dunbar, J Hume, D Johnston, T Johnston, J Jones, P Kelly, J Keltie, K Larson, G Lennon, J Logue, H Loughran, A Masterton, M McBride, P McDade, R McKendrick, J McLaren, M McPake, L Nolan, P Patton, L Roarty, G Robinson, A Smith, A Stubbs, L Stubbs, R Sullivan, S Watson, G Woods.

Agenda

- 1 **Declarations of Interest In Terms of the Ethical Standards In Public Life Etc. (Scotland) Act 2000**

Minutes

- 2 **Minute - Joint Consultative Committee for Local Government Employees - 11 June 2024** 9 - 12
Submit minute of the meeting of the Joint Consultative Committee for Local Government Employees held on 11 June 2024 for approval.

Operational

- 3 **Service Review - Revenues and Benefits** 13 - 22
Submit report by the Chief Officer (Finance) providing details of the outcome of the review of the Revenues and Benefits function of the Council.
- 4 **Brighter Futures Programme of Work - NL Academies** 23 - 34
Submit report by the Chief Officer (People and Resources) advising of various projects for Young People to provide job ready skills to access growth industries and opportunities for adults in North Lanarkshire.
- 5 **Mental Health & Wellbeing Strategy Update** 35 - 52
Submit report by the Chief Officer (People and Resources) (1) providing an update on the current Mental Health and Wellbeing Strategy across the Council to support the mental health and wellbeing of the workforce (2) seeking approval of planned activity.
- 6 **Annual Data Protection Report Financial Year 2023-24** 53 - 62
Submit report by the Chief Officer (Legal and Democratic) providing information on the Council's Data Protection compliance and activity for Financial Year 2023/24.

7	Digital North Lanarkshire Programme of Work - Improving Services Submit report by the Chief Officer (Business and Digital) providing an update on the progress of a number of digital projects, which aim to improve the efficiency of internal and external facing services focusing specifically on three areas of work.	63 - 74
	Performance	
8	Enterprise Asset Management System Update - September 2024 Submit report by Chief Officer (Asset and Procurement) providing an update on the progress to date developing an enterprise asset management approach and roadmap.	75 - 84
9	Strategic Performance Framework - Latest Performance Results for Business and Digital Submit report by Chief Officer (Business and Digital) providing an update on the suite of performance indicators used by Business and Digital.	85 - 98
	Financial	
10	Revenue Monitoring Report Council Summary - 1 April 2024 to 19 July 2024 Submit report by the Chief Officer (Finance) (1) providing an update on the overall position for the General Fund Account, Housing Revenue Account and Adult Health and Social Care, for the financial year to 31 March 2025; (2) consolidating the budget monitoring position of all Services, and (3) highlighting and explaining major variances as per the Council's approved Financial Regulations.	99 - 108
11	Revenue Budget Monitoring Report; Chief Executive's Service - 1 April to 21 June 2024 (Period 3) Submit report by the Chief Officer (Finance) (1) providing a summary of the Chief Executive's financial performance for the Period from 1 April to 21 June 2024 (Period 3) and (2) illustrating the provisional outturn as at 31 March 2025, with major outturn variances highlighted and explained per the Council's approved Financial Regulations.	109 - 120

12	Chief Executive Service - Capital Monitoring Report - 1 April to 21 June 2024 (Period 3) Submit report by the Chief Officer (Finance) highlighting the financial performance and projected outturn of the 2024/25 Chief Executive's capital programme for the period ended 21 June 2024 (Period 3).	121 - 126
13	Capital Programme 2024-25 Monitoring Report Submit report by the Chief Officer (Finance) (1) providing an update on the 2024/25 resources and expenditure for the Council's Strategic Capital Investment Programme, and (2) detailing the 2024/25 projected outturn position and the resultant variances.	127 - 136
14	Treasury Management Monitoring Report for Quarter Ended 30 June 2024 Submit report by the Chief Officer (Finance) informing on the quarterly Treasury Management activity for the period from 1 April to 30 June 2024 together with the mandatory treasury and prudential indicators.	137 - 154
15	Treasury Management Annual Activity Report 2023-2024 Submit report by the Chief Officer (Finance) outlining the treasury management activity undertaken during 2023/2024 and the resulting impact on the Council's borrowing and investment strategy.	155 - 180
16	2023-24 Annual Outturn Submit report by the Chief Officer (Finance) informing that the annual statutory accounts of the Council for the year ended 31 March 2024 were reported to the Audit and Scrutiny Panel at its meeting of 27 June 2024 and subsequently submitted to the Council's External Auditors, Audit Scotland, by the statutory date of 30 June before being published on the Council's website.	181 - 186
17	2024 Revenues and Benefits Update Submit report by the Chief Officer (Finance) providing an update on the performance of the Revenues and Benefits functions of Finance as at 30 June 2024.	187 - 194
18	Review of 2024-25 to 2026-27 Budget Savings Submit report by the Chief Officer (Finance) providing an update on the achievement of the three-year financial savings total, approved as part of the 2024/25 budget setting process.	195 - 200

- 19 **General Debtors Write Off 2024-25** 201 - 206
 Submit report by the Chief Officer (Finance) presenting a summary of outstanding debtor accounts which are deemed uncollectable following all attempts at recovery or are not economically viable to continue to pursue.
- 20 **General Debtors Write-Off 2024-25 - People Resource** 207 - 212
 Submit report by the Chief Officer (People and Resources) presenting a summary of outstanding debtor accounts which are deemed uncollectable following all attempts at recovery or are not economically viable to continue pursue.
- Remit**
- 21 **Remit - Housing Committee - Sundry Debt Write Off 2024** 213 - 218
 Submit report by Depute Chief Executive presenting a summary of outstanding debtor accounts which are deemed uncollectable following all attempts at recovery or are considered uneconomically viable to continuing pursuing, and remitted to this Committee for approval.
- 22 **Remit - Education, Children and Families Committee - Sundry Debt Write Off 2024** 219 - 224
 Submit report by the Chief Officer (Education North) providing a summary of outstanding debtor accounts relating to previous financial years which are considered to be uncollectable following approved recovery procedures, or are not economically viable to continue pursuing, and remitted to this Committee for approval.
- 23 **Remit - Adult Care and Social Work Committee - Sundry Debt Write Off 2024** 225 - 230
 Submit report by Head of Adult Social Work, Health and Social Care presenting a summary of outstanding debtor accounts which are deemed uncollectable following all attempts at recovery or are considered uneconomically viable to continuing pursuing, and remitted to this Committee for approval.

Procurement

- 24 **Annual Procurement 2023-24** 231 - 268
Submit report by Chief Officer (Assets and Procurement) seeking approval of the Annual Procurement Report 2023/24.

Contracts

- 25 **Contracts Awarded Below Committee Approval Threshold** 269 - 276
Submit report by the Chief Officer (Assets and Procurement) notifying of the Contracts Awarded since the last meeting of the Committee with a value below the financial threshold requiring approval.

EXCLUSION OF PUBLIC

The Sub-Committee is asked to consider passing the following resolution: "That under Section 50A(4) of the Local Government (Scotland) Act 1973, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 6 & 9 of Part 1 of Schedule 7A of the Act".

- 26 **Specification Costs - Former Orr's Building, South Bridge Street, Airdrie, ML6 6JA**
Submit report by the Chief Officer (Assets and Procurement) informing of the additional specification costs for the 20 residential properties at the former Orr's Building, South Bridge Street, Airdrie.

11 June 2024 at 2 pm.

A Meeting of the **JOINT CONSULTATIVE COMMITTEE FOR LOCAL GOVERNMENT EMPLOYEES**

PRESENT

Councillors Ballinger, Brannan-McVey, Currie, Duffy, Hume, Jarvie, D. Johnston and Logue.

M. Quigley, Unison, Vice-Convener; A. Clark, W. Shearer, and J. Watson, Unison; D. Whelan, GMB, and J. Rooney and V. Thomson, Unite (T & G).

CHAIR

In the absence of the Convener, M. Quigley (Vice-Convener) presided.

IN ATTENDANCE

HR Business Partnership Manager; Employee Service Centre Manager; Employment and Policy Manager; Talent and Leadership Development Manager, and Administrative Officer.

APOLOGIES

Councillors Boyd, Carragher, M. Coyle and McDade, and H. Smith, Unison.

DECLARATIONS OF INTEREST IN TERMS OF THE ETHICAL STANDARDS IN PUBLIC LIFE ETC. (SCOTLAND) ACT 2000

1. There were no declarations of interest.

ELECTION OF CONVENER AND VICE-CONVENER

2. In terms of the Constitution of the Joint Consultative Committee for Local Government Employees, nominations were sought for the Convener and Vice-Convener of the Committee.

Decided: that Councillor Boyd be elected Convener, and Marie Quigley, Unison be elected Vice-Convener of the Joint Consultative Committee for Local Government Employees for a 12 month period.

ONE WORK FORCE – SUMMER PLACEMENT PROGRAMME

3. There was submitted a report by the Chief Officer (People Resources) (1) intimating that the development of a next generation work force for the Council was a key priority which was set out in the One Workforce Plan; (2) advising that a pilot summer placement programme, offering Council Services the opportunity to employ a young person for six weeks over the school summer break, was undertaken in 2023, the purpose of which was to give young people valuable work experience, and to introduce them to the different types of rewarding work available in Local Government, and (3) intimating that, for the summer break in 2024, Council Services and local businesses had come forward and offered a total of 112 paid placements for young people to secure work experience.

Decided:

- (1) that the success of the pilot programme in 2023, and its contribution to building the Council's next generation of workforce, be recognised and acknowledged, and
- (2) that the summer placement programme for 2024, which would offer 112 paid placements to young people in North Lanarkshire, be supported.

UPDATE ON RECRUITMENT

4. There was submitted a report by the Chief Officer (People Resources) (1) providing an update on (a) current challenges, and (b) work now being undertaken to address the primary issues identified, using both short and long-term solutions; (2) advising that, to identify all the challenges, and improvement opportunities, in terms of the Council's current recruitment process, People Resources had undertaken a full review, and mapping exercise of the recruitment process, structures, staffing and systems capability, within the Workforce Recruitment Team and across all Council Services, and (3) providing an illustration of current challenges, and the next steps in the process and activities planned, or underway, to improve the Council's recruitment processes.

Decided:

- (1) that the ongoing challenges linked to wider recruitment and difficult labour market dynamics be noted, and
- (2) that the work undertaken to identify improvements, the next steps and detailed plans which were being taken forward to address issues and build capacity be acknowledged, and
- (3) that the report be otherwise noted.

FLEXI-TIME

5. J. Watson, Unison sought clarity on the current Flexi-time Scheme and advised (1) that a group of staff had been informed that the existing practice of 13 flexi days per year was being reduced to 3 days per year, and (2) that no consultation had taken place with the Trade Unions.

The Employment and Policy Manager advised that the review of the flexi-time scheme had not commenced and the review would look at the viability of hybrid workers being able to build "flexi-time" while working from home.

Decided: that the report be noted.

VIOLENCE AT WORK TRAINING

6. With reference to paragraph 3 of the Minute of the Meeting of this Committee held on 19 March 2024, when, inter alia, it had been agreed that the Council and Trade Unions would work together to agree a Violence at Work Charter for North Lanarkshire, John Watson, Unison, enquired which company was undertaking the Violence at Work training currently ongoing at Ravenscraig Sports Centre, and when was the training due to conclude.

The Employment and Policy Manager advised that she would provide this information to the Trade Unions. She also informed the Committee that the work of the Violence at Work Group within the

**JOINT CONSULTATIVE COMMITTEE FOR LOCAL GOVERNMENT EMPLOYEES -
11 JUNE 2024**

Education and Families Service was almost complete, and that the appropriate information would be discussed with the Corporate Management Team in due course, and implemented thereafter.

Thereon, the Employment and Policy Manager reiterated that the Council and the Trade Unions had agreed to work together to complete the Violence at Work Charter for North Lanarkshire.

The Trade Unions advised that incidents which were RIDDOR reportable, were not being properly reported, and that further action was needed to make sure recording was done accurately.

Decided: that the report be noted.

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? ☐ Yes ☒ No

Ref EK / GT

Date 11/09/24

Service Review – Revenues and Benefits

From Elaine Kemp, Chief Officer (Finance)

E-mail KempE@northlan.gov.uk

Telephone 01698 302804

Executive Summary

This report outlines a review of the Revenues and Benefits functions of the Council. It highlights the significant increases in demand for services provided by these functions since 2018/19 and outlines steps taken to date to manage that demand while still meeting statutory and Scottish Government timescales for the administration of key benefits.

The report outlines a series of actions the Service aims to deliver to improve customer experience and improve productivity to both manage demand and potentially deliver future revenue savings.

Finally, the report summarises the recently approved Visitor Levy (Scotland) Bill and outlines some of the practical implications the Council will have to consider before making a decision to proceed with the consultation on the implementation of a Visitor Levy in North Lanarkshire.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledges the significant increases in demand faced by the Revenues and Benefits functions since 2018/19,
- (2) Acknowledges the efforts of the Finance service to manage that demand within reduced resources and the steps taken to date to improve productivity,
- (3) Acknowledges the support provided by the Business and Digital service to improve productivity,
- (4) Acknowledges the future actions aimed at continuing to improve the customer experience and productivity with the potential to realise future revenue savings, and
- (5) Considers the potential for a Visitor Levy to generate additional funding for tourist and business visitors to North Lanarkshire and instruct officers to further investigate the potential of a Visitor Levy with a report to be presented in Cycle 1 of 2025 for consideration.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 The 2024/25 budget motion approved by Council on 15 February 2024 instructed officers to conduct a series of service reviews which should include identifying savings options or income generation opportunities.
 - 1.2 One such review was of the Council's Revenues and Benefits functions to ensure that they are fit for purpose and represent Best Value for the Council.
 - 1.3 The Finance service is responsible for the administration and collection of all local taxation in North Lanarkshire in the form of Council Tax and Non Domestic Rates.
 - 1.4 In addition, the service administers a number of benefits for residents of North Lanarkshire including Housing Benefits, Council Tax Reduction, Discretionary Housing Payments, Scottish Welfare Fund, Free School Meals, Clothing Grants and Blue Badges.
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2. Report

- 2.1 Following a structure review of the Finance service in 2021, the Revenues and Benefits functions have been managed by Business Finance Managers which has allowed for the development of a true 'one team' approach with both revenues and financial services functions being aligned under the one management structure. This 'one team' approach has improved opportunities to use resources flexibly, encouraged a more cohesive approach to meeting the wider operating requirements of the Finance service and has provided a more strategic approach to meeting business objectives across the Service.
- 2.2 The service review resulted in a reduction in the staffing establishment of 5.0 FTE and delivered a net saving of £0.098m.
- 2.3 These changes have coincided with ongoing increases in demand for the services provided within the Revenues and Benefits functional areas. In addition, during the Covid-19 pandemic response and recovery the Revenues and Benefits function led the administration of a number of support grants on behalf of the Scottish Government including Covid Business Grants, Low Income Pandemic Payment, Self Isolation Support Grant and Cost of Living Award. In addition, the function led on the administration of Council funded schemes such as the Pensioner Fuel Grant, Fuel Hardship Grant and Early Years Clothing Grant.
- 2.4 The following table provides a summary of those challenges, with commentary on each area in the following paragraphs:

Service Area	2018/19	2023/24	Movement	% Change
Council Tax: Number of properties	155,881	160,734	4,853 increase	3.1%
Non-Domestic Rates: Number of subjects	10,157	10,503	346 increase	3.4%
Scottish Welfare Fund: Crisis applications received	15,263	21,558	6,295 increase	41.2%
Scottish Welfare Fund: Community Care Grant applications received	4,362	6,488	2,126 increase	61.4%
Housing Benefit / Council Tax Reduction*: New applications	8,752	9,703	951 increase	10.9%
Housing Benefit / Council Tax Reduction*: Change of circumstances	134,862	152,783	17,921 increase	13.3%
Discretionary Housing Payments: Applications received	9,735	10,561	826 increase	8.5%
Free School Meals: Awards of free school meals	9,457	10,401	944 increase	10.0%
Clothing Grants: Awards and Payments made	10,937	11,864	927 increase	8.5%

Note: * The comparator information for Housing Benefits and Council Tax Reduction administration is 2019/20, the oldest information available

Council Tax

- 2.5 North Lanarkshire Council area has seen a 4,853 increase in the number of properties since 2018/19 (3.1%). While the additional income from more properties has supported the Council's budget gap and its ambitions in relation to areas such as the Community Investment Fund, the additional properties create an additional administration burden involved in the billing, collection and administration of 4,853 more properties.
- 2.6 This increase in burden is demonstrated by an increase in the number of email and telephone enquiries being received by the service.
- 2.7 In addition, over the last five years there have been a number of changes in the administration of Council Tax including the introduction of the levy on empty properties and second homes which generate a disproportionate volume of enquiries and complaints from residents.

Non-Domestic Rates

- 2.8 Compared to 2018/19 there are now 346 additional properties where Non-Domestic Rates requires to be billed, collected and administered; representing a 3.4% increase. Similar to Council Tax, there has been an increase in associated email and telephone enquiries being received by the service.
- 2.9 The policy context with regards to Non-Domestic Rates has also led to an increase in the volume of enquiries from property occupiers. This was especially apparent following the revaluation in 2023 and the subsequent introduction of revaluation transitional relief for affected businesses during 2024/25.

Scottish Welfare Fund

- 2.10 The Scottish Welfare Fund has seen a 41.1% increase in the volume of Crisis Grant applications and a 61.4% increase in the volume of Community Care Grant applications since 2018/19.

- 2.11 These increases are largely attributable to the impact of Covid-19 and the cost of living challenges being faced by communities throughout North Lanarkshire. The service has continued to prioritise Crisis Grant assessment to ensure applicant's needs are met as soon as practically possible and within the Scottish Government's 48 hour target.

Housing Benefits, Council Tax Reduction and Discretionary Housing Payments

- 2.12 Since 2019/20, the service has experienced a 10.9% increase in the numbers of new applications for Housing Benefit and Council Tax Reduction and an increase of 13.3% in the volume of change of circumstances requiring to be processed. In addition, Discretionary Housing Payment volumes have also increased by 8.5%.
- 2.13 These changes can be linked to the transition to Universal Credit and are reflective of the changes in income being experienced by individual households such as changes in the types of employment being experienced (i.e. irregular hours etc).

Free School Meals and Clothing Grants

- 2.14 Both the awards of free school meals and clothing grants have increased since 2018/19 by 10.0% and 8.5% respectively.
- 2.15 Similarly to the other benefit categories, these changes can be largely attributable to the impact of the cost of living crisis and, although average wages in North Lanarkshire are increasing, there are increasing numbers of people eligible for these benefits.

Cost Analysis

- 2.16 There are limited data sets available to understand costs associated with Revenues and Benefits functions. Data available through the Local Government Benchmarking Framework tends to focus on only Council Tax and does not include wider measures.
- 2.17 The Council Tax service continues to demonstrate its value for money. The cost per dwelling of collecting Council Tax published through the Local Government Benchmarking Framework highlights that the cost per dwelling has increased from £7.28 in 2018/19 to £7.88 in 2022/23; an increase of 8% and currently 7% below the family group average.
- 2.18 In addition, the cost of billing, collecting and administering Council Tax equated to 0.62% of gross Council Tax levied in 2018/19. In 2023/24 that figure rose marginally to 0.64%. Over that same period of time there have been a number of pay awards increasing costs in a proportion greater than the growth in the number of properties and the gross Council Tax levied.
- 2.19 For benefits administration, the cost per case for Housing Benefits and Council Tax Reduction has fallen from £30.54 in 2018/19 to £20.83 in 2022/23. There is no published benchmarking information to compare this to other local authorities.

Service Review

- 2.20 As highlighted in the previous paragraphs, the Service has witnessed significant increases in service demand since 2018/19. Despite the net reduction of 5 FTE over the same period, the service has managed these demand pressures while still meeting statutory and Scottish Government guidance on the administration of areas like

Scottish Welfare Fund, Housing Benefits, Council Tax Reduction and Discretionary Housing Payments.

- 2.21 The introduction of a number of digital enhancements to improve productivity has enabled the service to absorb the additional demand outlined in paragraph 2.3. Some examples of these digital improvements are as follows:

Robotic process automation

- Automatically create a purchase order following the assessment of a Community Care Grant application without additional manual intervention,
- Identify unpaid Direct Debit payment for Council Tax and automatically recalculate and rebill,
- Amends bank details for existing Direct Debit customers following notification of a change,
- Manage high volume Free School Meal and Clothing Grant applications to ensure payments are issued to parents and carers timeously, and
- Automatically update Council Tax Reduction and Housing Benefit systems to reflect changes in Universal Credit notified by the Department for Work and Pensions.

Improved digital customer experience

- Online forms for residents to apply for Free School Meals, Clothing Grants and Scottish Welfare Fund grants,
- Introduction of the online portal for Council Tax, Non-Domestic Rates and Housing Benefits for customers to see account balances, apply for reliefs, discounts and exemptions, notify of changes of address or household composition and apply for relevant benefits, and
- The introduction of a Landlord Portal to support self-service for property landlords to view and manage payment schedules for tenants.

- 2.22 In addition, the move to the 'one team' approach as highlighted in paragraph 2.1 has promoted the development of more generic and multi-skilled working which has allowed the service to better manage service peaks and troughs by rapidly reallocating resources to places of greater need.

- 2.23 The Service acknowledges that there is still much to do in terms of improving customer experience and managing demand to be able to deliver future budget savings. With that in mind, the Service has developed a number of deliverable actions that can help manage demand, including:

- Migration of Revenues and Benefits system to a cloud based solution which should improve system performance, reduce potential downtime and reduce infrastructure costs in the long-run,
- Continue to develop robotic process automation solutions for other higher volume areas of activity including processing information provided by the Department for Work and Pensions on benefit claimants, updating accounts following the death of the Council Tax payer and automatically processing payments for Crisis Grants following assessment of the application,
- In addition, the potential of the citizen developer model through Microsoft presents opportunities for further automation of tasks using Microsoft's Power Automate functionality and the development of areas for ChatBots and introduction of Artificial Intelligence,
- Promoting end to end online forms to remove rekeying tasks for areas such as online Benefit applications,

- Promoting channel shift and self-service by improving the website, introducing more online forms and promoting the benefits of signing up to the online self-service portal for Council Tax, Non-Domestic Rates and Benefits,
 - Promoting the use of Direct Debit as a payment option to maximise income generation and reduce the cost and incidence of manual cash transactions, and
 - Procuring an annual review of household composition to reduce instances of incorrect application of areas like single person discount.
- 2.24 In relation to improving the website, the Service has been working closely with Business and Digital and the Digital Centre of Excellence to develop and trial a ChatBot for Council Tax that will answer customer queries and direct them towards an appropriate solution for their issue. Aligned with ongoing improvements to the Council Tax section of the Council's website, these developments are aimed at reducing the requirement for email or telephone contact from customers with the ambition that this reduced demand would allow other customer queries to be answered within a shorter timeframe.
- 2.25 The Service is working with the Digital Centre of Excellence to ensure that there is an appropriate benefits realisation process in place. A similar approach will be developed for all areas highlighted in 2.22 to ensure that when the Service is in a position to realise financial savings following a clear demonstration of productivity improvements and demand management then these can be incorporated into the Council's future financial planning processes.

Visitor Levy – Background

- 2.26 On 28 May 2024 the Scottish Parliament passed the Visitor Levy (Scotland) Bill. This gives councils a new power to introduce a visitor levy that could raise funding for local facilities and services used by tourists and business visitors.
- 2.27 The legislation enables councils to apply a levy on overnight stays. Similar levies already apply in many tourist destinations across Europe. The levy can only be introduced after councils have consulted with local communities, businesses and tourism organisations. The levy would be calculated as a percentage of the chargeable transaction for accommodation after deducting any commission costs. Individual local authorities have the discretion to set the rate and the legislation also allows for different rates to be set for different purposes. For example, a local authority could set different rates for different geographical areas or set rates in relation to particular events but cannot vary the rate for accommodation type.
- 2.28 Accommodation included within scope of a levy would include hotels, bed and breakfasts, hostels, guest houses, self-catering accommodation, camping sites and caravan parks and any other place at which a room or area is offered by the occupier for residential purposes otherwise than as a visitor's only or usual place of residence.
- 2.29 There are also specific exclusions within the legislation including gypsy and traveller sites, cruise ships and motor homes. The levy is also not payable where the visitor or any other person utilising the right to reside in the overnight accommodation is in receipt of benefits, payments or allowances for a disability.
- 2.30 Accommodation providers are responsible for the collection, recording and remitting payments to an individual local authority.

Visitor Levy – Impact on North Lanarkshire

- 2.31 Information previously produced for the Council indicated that the North Lanarkshire area has around 4,200 beds available with an annual average occupancy of 49%. If the Council were to implement a Visitor Levy it would have discretion on the percentage to charge. The following table indicates potential income generation (before any administration costs) using several scenarios:

Average nightly price	Levy per night		
	1.00%	1.50%	2.00%
£75	£563,378	£845,066	£1,126,755
£100	£751,170	£1,126,755	£1,502,340
£125	£938,963	£1,408,444	£1,877,925

- 2.32 If Elected Members wish for further exploratory work to be done on the introduction of a Visitor Levy then there are a number of additional considerations:

- *Cost of implementation and administration for local authorities:* some estimates put the cost of setting up the consultation and the scheme could range from £0.110m to £0.480m with recurring revenue administration costs of £0.145m to £0.245m to ensure proper compliance and enforcement etc.
- *Cost of implementation and administration for businesses:* set-up costs have been estimated at between £150-£7,000 for each business with annual administration costs of between £200-£850. Also further consideration of whether the Council would provide grants to local business to reimburse the costs of implementation.
- *The reliability of the data:* the Council would be required to refresh the data to ensure the estimated bed numbers, occupancy rates and average nightly values are accurate prior to fully understanding the potential benefits.
- *Requirement for proper consultation:* Before a council can implement a Visitor Levy it must prepare and publicise a clear outline of any proposed scheme including assessment of the achievement of objectives linked to a tourism strategy and consult with representatives of communities and businesses engaged in tourism and tourist organisations in the area, along with any other groups who will be affected by the proposals. The timeline for introduction of any scheme would be 18 months after the completion of the required consultations and published intent to proceed. Therefore, the earliest any scheme could come into place across Scotland is Spring 2026 and for North Lanarkshire it would be later given no decision has been made on whether to pursue a Visitor Levy.
- *Requirement for a Visitor Levy Forum:* Following a decision to introduce a levy, a council is required to establish a Visitor Levy Forum for the area to discuss and advise the council on the operation of the scheme and the use of net proceeds of the scheme.

- 2.33 Committee is asked to consider whether it wishes to proceed with the principle of a Visitor Levy and if so, instruct officers to form a Visitor Levy Working Group to report back to Committee in Cycle 1 in 2025 on the objectives, practical implications and benefits for North Lanarkshire for a decision to be made on whether to commence consultation.

3. Measures of success

- 3.1 The Revenues and Benefits function continues to demonstrate value for money for the Council.

4. Supporting documentation

None

A handwritten signature in black ink, appearing to read 'Elaine Kemp', is enclosed in a light gray rectangular box.

Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
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<p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>The Service has ongoing engagement with Business and Digital on the potential for automation to improve productivity and the deployment of resources to meet the objectives of both service areas.</p>
<p>5.7 Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
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<p>5.9 Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p>
<p>5.10 Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
<p>5.11 Children's rights and wellbeing impact</p> <p>Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☒ Yes ☐ No

Ref FW/LS

Date

11/09/24

Brighter Futures programme of work – NL Academies

From Fiona Whittaker, Chief Officer (People Resources)

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Telephone 07973 728628

Executive Summary

The Brighter Futures Programme of Work (PoW) is a wide-ranging series of projects that aims to improve educational attainment, job opportunities, entrepreneurship, and volunteering. It is about preparing young people and the wider community for the future through specialised education, voluntary work and enterprise and making sure there are clear pathways for them to get jobs in industries of the future.

NL Academies forms a key part of Brighter Futures by working closely with businesses and partners in thriving industry sectors such as the built environment, health and social care and digital to create innovative but viable pathways to employment, boosting jobs and economic growth.

This report describes various ongoing projects like summer placements, skills training for young people giving them job ready skills to access growth industries and opportunities for adults in North Lanarkshire to enter training and finish with a well-paid job in a growing industry. It also describes activity around creating partnerships with employers in industry through the formation and progress in the Built Environment Sector Board and Care Academy Steering Group and an enhanced approach to realising social value across the council's procurement activity.

The report recognises the key drive to enhance attraction and equalities to key industry sectors and also acknowledges the next steps to be taken to further progress the work of NL Academies.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Endorse and approve the contents of this report, the progress made and next steps.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(23) Build a workforce for the future capable of delivering on our priorities and shared ambition
Programme of Work	Brighter Futures

1. Background

- 1.1 The Programme of Work (PoW) 2023-2028 as approved at Policy and Strategy Committee in March 2023, is key to achieving the shared ambition as set out in the Plan for North Lanarkshire. A high-level list of deliverables against each programme have been identified detailing the roadmap to delivering the scale and impact required to deliver the vision of inclusive growth and prosperity for all.
- 1.2 The priorities of the Brighter Futures PoW are to support and improve educational attainment, employment opportunities, entrepreneurship, and volunteering and prepare young people and the wider community for the future through specialised education, voluntary work, and enterprise. The programme will give them the skills, knowledge, and confidence to successfully transition to further education, training, or employment. This will shape innovative employment pathways and maximise key industry growth sectors to boost economic growth. This will provide opportunities to develop real-world job skills that add value and pathways to specific industries and help to offer choice and inclusive access to jobs and training.
- 1.3 Of the six themes of the Brighter Futures PoW, this report focuses on NL Academies, however, there are clear links and interdependencies with the other themes: Curricular Pathways, Employability, Volunteering, Entrepreneurship and Funding.
- 1.4 NL Academies drives collaborative efforts between industry, the council and various partners to develop a skilled workforce to meet the needs of key industry sectors which are currently the Built Environment, Health and Social Care and Digital. This is achieved through a shared ambition, strong and mutually beneficial relationships, and a clear commitment to innovation and excellence, local community wealth building and a focus on sustained and circular economic growth.
- 1.5 NL Academies plays a key role in shaping the work, future direction, and growth of these key industries through:
- defining a clear picture of key industry workforce gaps at a local level
 - commissioning relevant employment and training activities to address gaps
 - agreeing existing and new pathway priorities
 - developing new and innovative solutions and partnerships
 - driving industry collaboration and engagement, and
 - brokering joint approaches to funding.

2. Report

- 2.1 This report provides an update on the progress of the 3 main deliverables of the NL Academies theme under the Brighter Futures PoW. The deliverables are detailed in table 1:

Table 1

Deliverable 1	Ensure increased skilled workforce employed in roles which fit industry needs and contribute to greater economic outputs. Expand pathways and progression routes within key sectors to connect to employment.
Deliverable 2	Develop employer engagement within each model to ensure full participation and increased work opportunities.
Deliverable 3	Enhance attraction and advance equalities across key industry sectors.

- 2.2 The next sections of this report describe the progress under each deliverable.

Deliverable 1 – ensure increased skilled workforce employed in roles which fit industry needs and contribute to greater economic outputs. Expand pathways and progression routes within key sectors to connect to employment.

- 2.3 The below summary provides an update on UK Shared Prosperity Fund (UKSPF) projects mobilised, ongoing and delivered to date.

Built Environment Academy

- 2.4 Within the Built Environment Academy, 3 projects are currently being delivered.

SP Energy Networks

- 2.5 SP Energy Networks (SPEN) identified significant skills gaps within the “LV cable jointing” and “civils” areas which also has an impact within their supply chain. These skills gaps, if not filled will affect their ability to meet future programmes and government targets. SPEN have a vision of creating 100 jobs across the West of Scotland which aligns with aims of NL Academies. The aim of the SPEN and North Lanarkshire Council training academy is to attract suitable candidates from the North Lanarkshire area, recruiting them into roles, supporting their training and development, and ultimately confirmed into full time, permanent employment.
- 2.6 In partnership with Job Centre Plus, Routes to Work and other partners, the NL Academies team identified that there were key groups of job seekers available which suited these roles, in particular ex-forces veterans, refugees, over 50's are career changers as well as the general population. The programme commenced on 13 May 2024 with 8 North Lanarkshire residents commencing an innovative craft trainee programme, receiving industry certified training in a highly skilled sector and leading to secured employment positions with SPEN. Further candidates are being finalised within the SPEN supply chain and further programmes are also being explored to support this net zero employment initiative.

Low Carbon Learning: Next Generation

- 2.7 This project is available to young learners aged 16-24 interested in the Built Environment, with the provision of workshops suitable for aspiring young people with an interest in the sector. The sessions cover retrofit, Passivhaus, digital construction and modern methods of construction. The workshops cover introductory theory and allow the opportunity for hands-on, interactive learning experiences. With a focus on practical sessions to engage learners, the impact of the programme is to grow interest, skills, confidence, and competencies essential to reaching Scotland's net zero carbon target.
- 2.8 Working closely with the curricular pathways theme under the Brighter Futures PoW and colleagues from Education, it was agreed the target group for this programme would be those school pupils completing a Foundation Apprenticeship (FA) in Construction or Civil Engineering, including Pathways Programme participants, Care Experienced Young People, those with additional support needs and those engaged with Supported Employment.
- 2.9 Throughout 2023/24, 6 sessions were held with over 70 FA pupils attending. Feedback to date from both the participants and teaching staff has been excellent with participants gaining a better understanding of different roles and tools used in the built environment and teaching staff noting high levels of engagement from pupils attending. For 2024/25,

6 sessions are planned again for FA pupils across September / October and then February / March. Based on feedback to date, additional sessions are also planned for circa 40x teaching staff in November 2024, plus additional sessions for Pathways Programme participants.

Future in Construction

- 2.10 This programme commenced in May 2024 with 15 candidates and is designed to support anyone aged 16+ from North Lanarkshire take their first steps into Construction and gain real work experience along the way.
- 2.11 Learners receive training to support both practical and theoretical knowledge in the built environment industry. Practical training includes ground preparations, shuttering joinery, bricklaying, mono-blocking, and drainage with theoretical training including, health and safety, asbestos awareness, abrasive wheels, and working at heights. Learners are also supported to gain their Green Labourer CSCS Card.
- 2.12 This programme provides a whole person approach, focusing on wellbeing, to support learners to confidently engage with employers. Learners will have the opportunity to gain work experience within the industry, enhancing their knowledge and understanding of the role. The provider supports learners to explore their career options, whilst providing a focus on all aspects of construction and wellbeing, which will support their progression to a positive destination in employment or further training.

Digital Academy

- 2.13 Within the Digital Academy, the following projects have been mobilised and are ongoing.

Digital Youth Academy

- 2.14 The Digital Youth Academy commenced in April 2024, with 22 candidates attending and completing the course. This programme provides 2 different bootcamps over a 4-week period for 16–24-year-olds.
- 2.15 The bootcamps on offer are Business and Digital Skills for young people with no or basic IT skills where they will learn problem solving, PC passport, office systems user, introduction to digital marketing, web skills, creative content skills and CV building and preparing for interviews. The Tech Primer Programme is for young people with intermediate IT skills where they will learn; introduction to programming, contributing to data management, network infrastructure and cloud computing, IT service requests and tech skills, introduction to cyber security, CV building and preparing for interviews. At the end of this programme, each of the participants is supported with future job prospects or provided an alternative positive destination such as an apprenticeship or further education.
- 2.16 Feedback from the first cohort was excellent with participants noting they have learned new skills and knowledge on a broad range of digital programmes and packages which they can take forward into future employment. When asked whether they would recommend the bootcamp to others, the responses were very positive with comments such as “very good camp that can help people to enhance their skills”, and “the topics covered were varied so if someone wants to find out their interest in a topic, this bootcamp gives a very good taster of all”.

- 2.17 Recruitment for the next Digital Youth Academy took place during the Summer of 2024 with the new cohort of young people commencing the programme on 26 August 2024.

Digital Labs

- 2.18 Flexible, community-based, 'Digital Labs' have been set up by the libraries and Community Learning and Development teams across North Lanarkshire to provide local adults aged 16+ with the relevant skills, confidence, and motivation to get online. Support is given to those who currently have no digital device of their own as well as those who need support with an existing device. Learners are being supported to drop-in to their local 'Lab' to learn how to use tablets, laptops, and smartphones through both Public Access Computing (PAC) and 'bring your own device' (BYOD) approaches. As Digital Labs does not require a fixed suite of computers, staff are able to respond quickly to local and individual demands.
- 2.19 Standard Lab sessions run throughout the year in each of the 9 Community Board areas across North Lanarkshire, to ensure local coverage, and are available to pre-book or drop-in, where available. Small bespoke groups have been arranged for those with similar needs, such as those who are unemployed, school-leavers, families, refugees, or those with additional support needs.
- 2.20 Learning outcomes cover the operation of devices, access to internet, email, creating and printing documents, social media, search engines and the importance of online safety. Accreditation is available via formal SQA units, Adult Achievement Awards, etc. but wider achievement is also recognised via provision of 'Digital Badges.' Pathways to further learning are in place via the council and its partners across the Digital North Lanarkshire partnership. As the sessions are being led by staff from both libraries and Community Learning and Development teams, this ensures access to a much wider range of community-based adult skills provision, from basic core skills, such as literacy and numeracy, through to formal training and qualifications.

Integration of the summer placements scheme into the NL Academy model

- 2.21 The summer placement scheme which has previously been presented to committee, is a key programme to support the work of NL Academies. It has been developed to introduce the young people of North Lanarkshire to the world of work and empower the workforce for the future. It provides them with the skills and knowledge to enable them to find a career path that they wish to follow and will enhance their knowledge of the variety of career paths available to them.
- 2.22 The students are mainly from local high schools, priority groups and New College Lanarkshire and are given the opportunity to gain hands-on experience working across a range of employment sectors. Whilst the 2023 programme focussed on internal council placements, the NL Academies team have, for 2024, developed placements with external business spanning key industries including the built environment and health and social care, with 22 students also working with external construction companies and 4 with NHS Lanarkshire.
- 2.23 The students embarking on built environment placements, were supported to gain their Green Labourer CSCS Card. Towards the end of placement, the students were given the opportunity to attend a My Skills My Future workshop. This is a suite of resources

aimed at supporting individuals in identifying the skills they have gained from other experiences out with formal qualifications and will allow the young people to identify their transferable skills through a series of practical and engaging activities. These skills are then bench-marked against the SCQF to help individuals understand the level of their informal learning.

Deliverable 2 – develop employer engagement within each model to ensure full participation and increased work opportunities.

Sector boards

- 2.24 As previously approved by committee, sector boards have been commissioned within the built environment and health and social care sectors. The Built Environment Sector Board is commissioned by the council and led by a Chairperson from industry. Progress to date has seen the vision and purpose of the board being set and workstreams being implemented to focus on key activity areas.
- 2.25 In describing the vision and purpose, the North Lanarkshire Built Environment Sector Board envisions a future where collaborative efforts between industry, and the local authority drive the development of a skilled workforce to meet the needs of an evolving built environment industry. This will be achieved through a shared ambition, strong and mutually beneficial relationships and a clear commitment to innovation and excellence, local community wealth building and a focus on sustained and circular economic growth.
- 2.26 The Board's role is key in shaping the work, future direction, and growth of the North Lanarkshire Built Environment Academy through agreeing key industry gaps at a local level, commissioning relevant employment and training activities, agreeing existing and new pathway priorities, developing new and innovative solutions and partnerships, driving industry collaboration and engagement and brokering joint approaches to funding. Ultimately, the unique value of the Board lies in its ability to leverage the collective efforts of the sector at a local level to achieve improved labour market outcomes. This includes establishing better workforce pathways and solutions for local employers within the sector, leading a wider focus on social benefits and providing career and future employment opportunities to North Lanarkshire residents and young people.
- 2.27 Going forward, the Board will also be expected to exert wider policy influence at a national level with key skills, education, and other relevant industry sector bodies, in the course of delivering its strategic aims, and with a proactive focus on establishing new approaches to address current and future skills and workforce problems being faced by industry. Current outputs to be achieved are to create a deeper understanding of the demand for skills and workforce in the sector within North Lanarkshire with work progressing to commission research into the skills and workforce gaps which exist both now and those predicted in the future to allow action to be directed towards filling these and supporting industry to grow and develop further. This will support the creation of a sector skills strategy, development of a model for training provision and propose a future skills model that meets the needs of industry.
- 2.28 Similar activity is also underway in the Pan-Lanarkshire Care Academy where workforce gaps across the 3 organisations (North Lanarkshire Council, South

Lanarkshire Council and NHS Lanarkshire) and the independent sector are being profiled to allow pathways to be reviewed for attracting people into these roles and providing suitable training and qualifications.

- 2.29 As previously reported to committee, a memorandum of understanding was signed by all 3 organisations with the commitment to developing joint work around apprenticeships, recruitment and attraction activities and increasing student opportunities and creating a pipeline of talent into the sector. This work is being led by the Care Academy Steering Group which has a vision to: *“Develop a robust, sustained, vibrant Care Academy attracting and developing a diverse workforce for health and care services in Lanarkshire and promoting the sector as a rewarding choice for careers. Increasing awareness and engagement about the Care Academy across all partners and organisations to support people from our communities working in our communities.”*
- 2.30 To support the vision, the aims of the Care Academy are defined as:
1. Creating the health and social care workforce for the future that best services the needs of people living in Lanarkshire.
 2. Contributing to addressing deprivation and inequalities across Lanarkshire to help people live their lives to the fullest.
 3. Providing pathways to fair work, meaningful employment, and progression across the breadth of health and social care.
 4. Building a strong talent pipeline to meet future demand and reduce skills shortages within the health and social care sector across Lanarkshire.
- 2.31 The Steering Group commenced in December 2023 and is currently led by the Chief Officer of Planning, Performance and Quality Assurance from North Lanarkshire Council with representatives from across the 3 partner organisations. The workstreams are progressing activity across the following areas: attraction, recruitment, retention and wellbeing, pathways to care for young people and adult pathways to care. A significant promotional event for the Care Academy is being planned for late 2024 / early 2025 to further communicate the planned activity across this sector in Lanarkshire.

NL Academy model

- 2.32 A key element to continuing the work of NL Academies is developing a model for long term sustainable funding. This work is longer term in nature, but some initial steps have been progressed, the first of which is enhancing the social value gained from the council's procurement activity.
- 2.33 Whilst it is recognised the council is committed to maximising social value, there is an opportunity to gain further value from the businesses we engage with and from the contracts we procure. The council's capital investment programme along with the other larger procurements provide significant opportunities to maximise the benefits delivered via social value, particularly within the Built Environment Sector.
- 2.34 With the agreement of the Corporate Management Team, a new Social Value Manager post has been created to sit alongside the NL Academies team under the Brighter Futures Manager with an initial focus on creating a more effective Social Value Framework and operating model (people and technology) going forward to maximise and fully leverage our outcomes.

- 2.35 The post will also be tasked with scrutinising current contracts, and those in development, in more detail to ensure social value is being fully realised and planned into future contracts. This will include engaging with existing contractors to determine where flexibility exists to combine and/or redirect social value to maximise contribution towards PoW priorities, including programmes and apprenticeships within Brighter Futures.
- 2.36 The creation and implementation of a Social Value Framework will assist in creating consistency of approach in managing and monitoring activities. It will also encourage services to better use procurement to achieve wider financial and non-financial outcomes when awarding contracts, to strengthen and enhance opportunities in delivering benefit to our communities and will describe how we will embed social value principals into the commissioning, procurement, and contract management practices. Following this initial work, the Social Value Manager will strategically manage and more clearly report on the value being delivered across the council's portfolio of projects in conjunction with service-based contract managers.
- 2.37 The proposal to base this post within the NL Academies team is due to the intrinsic link from social value to the NL Academies model and the wider Brighter Futures PoW and the need to build sustainable programmes to create opportunities with scale and impact, due to the instable funding environment which exists within opportunities around apprenticeships, pathways development and skills training.

Deliverable 3 – enhance attraction and advance equalities across key industry sectors.

- 2.38 Attracting an appropriately skilled workforce within key industry sectors is vital to ensuring a workforce for the future. To support this work, attraction activity exists throughout all the NL Academies work. Sections 2.5 to 2.21 of this report details projects which are ongoing, all of which aim to raise awareness of roles within industries and attract a future workforce, e.g. Low Carbon Learning: Next Generation, Digital Bootcamps, and Summer Placements.
- 2.39 A further programme of attraction to a career in the built environment has also commenced in conjunction with colleagues in Education and links strongly to the Curricular Pathway theme under the Brighter Futures PoW. Build Your Future is a programme created by Developing the Young Workforce (DYW) and partners in the construction industry to inform and inspire young people, particularly those in S1 – S3 of secondary school to consider and explore careers in the industry. Various activities are on offer such as skills demonstrations, repurposing challenge, building surveying tour and reimagining spaces. An initial pilot took place in March 2024 with pupils from 2 secondary schools participating in skills demonstrations on timber construction and drones in construction, both allowing the pupils to explore these first hand. On 12 June, a repurposing challenge was also held at Motherwell Old Town Hall where pupils surveyed the site taking measurements and were supported by local contractors to design, cost and present their ideas for repurposing the building. Excellent feedback has been received on both events to date and detailed planning is underway to roll the programme out to all schools across North Lanarkshire in the next academic year.
- 2.40 As detailed at section 2.24 of this report, to support this work at a strategic level, both the Built Environment Sector Board and Care Academy Steering Group have workstreams linked to attraction, recruitment, and retention. The aim of these workstreams is to work with relevant partners and colleagues across education, industry, colleges and universities and wider partners such as DWY, Skills Development Scotland (SDS) and Department for Work and Pensions (DWP) to enhance current activity and identify further opportunities to promote a diverse

workforce into key industries. The NL Academies team are engaged with various organisation and charities who support ex-forces personnel and veterans into employment which aligns with the council's commitment to supporting veterans throughout North Lanarkshire.

- 2.41 A recent example seen over 30 individuals attracted and recruited into the Early Years team through a joined-up approach between the NL Academies team and various colleagues and partners. The NL Academies team approached the council's resettlement team to develop relationships and further understand the employment needs and preferences of these groups. Through a connection to the Good Deed Group in Motherwell, it became clear that several women within the Congolese community were seeking employment. Further exploration and outreach enabled the NL Academies team to identify that there were several very suitable candidates; women with skills and experience from their own countries which would be a great asset to the work of North Lanarkshire.
- 2.42 The NL Academies team were aware of a large-scale recruitment exercise taking place in Early Years to staff North Lanarkshire's nurseries as part of a substantial workforce transformation. The team were able work with Early Years colleagues to ensure the inclusion of the identified groups within the recruitment process as many of the women had worked in or indeed managed care of children establishments and had transferrable skills. Early Years embraced this and used a modified outreach recruitment process to support these candidates through the recruitment system. 33 candidates were successfully appointed to support worker posts. They will work in nursery settings across North Lanarkshire in posts ranging from 10 hours to 37 hours, term time and full-time.
- 2.43 The Early Learning and Childcare service were delighted to welcome this diverse workforce to their teams. Early years settings are well placed to provide a safe environment where parents, staff and children can learn about each other's differences and similarities and learn to empathise and value each other. This links to the council's values as an employer, in that it is vital that we have a professional, diverse, and confident workforce. A workforce, which better reflects the wider community, helps to enhance children's experiences, and will better serve the communities of North Lanarkshire.

Summary and next steps

- 2.44 Considerable progress has been made across the 3 main deliverables for NL Academies. Various projects have been developed and implemented over the past 12 months ensuring a reach across a wide range of groups within North Lanarkshire. The teams work to engage employers within key industry sectors has been crucial and will remain a key area of focus to ensure the employers voice is at the core of understanding workforce challenges and considering solutions.
- 2.45 The work to enhance the council's approach to social value is key to feed the NL Academies model by augmenting sustainable programmes and creating opportunities with the required scale and impact. This will contribute towards the ability for NL Academies to continue to deliver industry specific initiatives making the most of opportunities around apprenticeships, pathways development and skills training.

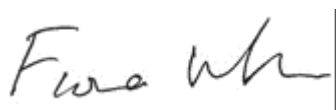
- 2.46 Some key next steps exist within the deliverables for NL Academies. The first is to explore the potential to develop and deliver collaborative apprenticeships across key industry sectors, working with employers, colleges and universities, education colleagues and relevant supporting organisations. The second is to build upon the opportunities which exist to further develop partnerships with the higher and further education sector to address workforce and skills gaps within key industries. The recent partnership arrangements in place with University Health and Social Care North Lanarkshire provide a solid basis to develop these relationships further. Finally, the NL Academies team will continue to progress work to support diverse groups (such as veterans) across North Lanarkshire to enter employment within key industries. Further updates to committee will be provided on an annual basis in line with the council's reporting framework.

3. Measures of success

- 3.1 Success in NL Academies will be measured via the UKSPF reporting on the outputs and outcomes aligned to the applicable interventions. The Brighter Futures Delivery Framework, which will link to the council's Strategic Performance Framework, is being developed to ensure regular monitoring and measurement of success within the Brighter Futures themes of which NL Academies is one.

4. Supporting documentation

None.



Fiona Whittaker
Chief Officer (People Resources)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
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North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☒ Yes ☐ No

Ref FW/FD/LC

Date

11/09/24

Mental Health and Wellbeing Strategy Update

From Fiona Whittaker, Chief Officer (People Resources)

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Executive Summary

High rates of mental health related problems within wider society are showing no signs of reducing and recent statistics suggest that 1 in 7 adults say their mental health is currently either bad or worse than it's ever been, with the term 'how to reduce stress' searched on average once every 10 minutes in the UK (*Mental Health Statistics 2024 at www.forthwithlife.co.uk*). In the context of this continuing trend, and with mental health related absence remaining the number one contributor to our absence statistics within the Council, it is imperative that we maintain a strong focus on the mental health and wellbeing of our employees.

Additionally, under the Health & Safety at work regulations, which have become significantly more focused on the impact of work-related stress in recent years, the Council has an ongoing duty of care to ensure that it creates a supportive and positive work environment where employees are not subject to levels of undue stress and pressure that could contribute to the deterioration of their mental health. A material part of meeting this duty involves ensuring that both managers and employees understand how to manage and prevent stress at work and how to access help and support for both work and home related mental health issues. In recent years the Council's Mental Health and Wellbeing Strategy has provided an effective vehicle for this work, with clear objectives around our mental health support provision and the initiatives we regularly undertake to ensure open communication and support around mental health.

It should be emphasised that the Council has a strong track record of engaging with and supporting the mental health and wellbeing of staff and our first Mental Health and Wellbeing Strategy was published in 2019 with a revision taking place in 2022. This work is now fully encompassed within the One Workforce Plan with employee engagement and wellbeing continuing to form a core pillar within our associated strategic priorities. The Council is also directly linked to the North Lanarkshire Mental Health & Wellbeing Strategy 2019 – 2024 and the work that was undertaken in its creation. This strategy is now under review.

As part of taking this work forward under the One Workforce plan, we have undertaken a review of our Mental Health & Wellbeing Strategy and our progress to date with this work.

This enables us to refresh our commitment and planned activities in 2024 and into 2025, to track progress on our activities, and to incorporate the trauma informed training that is now available for all employees. Whilst remaining as a separate document at this time, our plan for future years is that the Mental Health & Wellbeing Strategy will be fully incorporated in the One Workforce Plan rather than existing as a separate stand-alone strategy.

This report therefore provides a brief update to the current strategy and outlines our goals for the immediate future along with an update on the activity that is planned or has taken place across the Council to support mental health and wellbeing of our workforce.

Recommendations

It is recommended that Finance and Resources Committee:

- (1) Endorse the work that has been carried out to date in regard to improving the mental health and wellbeing of our workforce.
- (2) Endorse the incorporation of future work in this area as part of the of the One Workforce Plan and in particular the key priorities detailed under Employee Engagement and Wellbeing priority.
- (3) Acknowledge the positive work of the Service based mental health groups;

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(23) Build a workforce for the future capable of delivering on our priorities and shared ambition
Programme of Work	Resilient People

1. Background

- 1.1 The Council's Mental Health and Wellbeing Strategy first came into play in 2019 when it was recognised that there needed to be a much broader approach to supporting the mental health and wellbeing of employees across the Council, and that any strategy would need to ensure that the right assistance was available at the right time for those who were experiencing mental health issues.
- 1.2 The Strategy was successfully implemented with both managers and employees becoming more aware of mental health illness and the need to communicate openly and honestly about the impact of mental health illness amongst the workforce. This was encouraged by increased awareness around the supports available both internally and externally and by ensuring that all managers had the tools and knowledge to support any employee who was struggling mentally, emotionally, or physically.
- 1.3 More recently, in 2022 and following a restructure of the Council, it was determined that a further review of the strategy was required to incorporate a more locally focused approach as well as considering the overall direction of the Council. This review resulted in the creation of Service led groups whose focus was to consider the specific mental health and wellbeing of the employees in their service areas, and to create an action plan of activity that would enhance the existing support available to both managers and employees.
- 1.4 Whilst some great work and initiatives have taken place over the last few years and our long-term mental health related absences are improving, it would be remiss of the

Council not to review the strategy especially when you consider some of the statistics currently available including the suggestion that young people between the age of 16 to 24 are the most affected by mental health struggles and these are the workforce of the future.

- 1.5 Also it is important to recognise the significance of trauma informed practice and the correlation with mental health and wellbeing. Trauma informed practice ensures that employees feel safe, empowered and confident to seek support when they need it most and whilst basic training is currently mandatory for a number of managers and employees, it is important to recognise the benefits of this practice within the Council's Mental Health and Wellbeing Strategy.
- 1.6 Finally, whilst the One Workforce Plan, has a focus on ensuring that the Council has the required workforce capacity and capability to deliver on its strategic aims and objectives both now and in the future, it is important to build a strong resilient workforce. There are three main aims under Priority 5 of the One Workforce Plan regarding Employee Engagement and Wellbeing and the remainder of this report focuses on how these will underpin the revised Mental Health and Wellbeing Strategy.

2. Report

- 2.1 As confirmed in the updated One Workforce Plan that was presented to Policy and Strategy Committee on 7 December 2023, the Council has a strong track record of engaging with and supporting the wellbeing of staff, and with continued high rates of mental health related absence across our workforce, this area will remain a core workforce priority in the years ahead.
- 2.2 Our updated Mental Health and Wellbeing Strategy (set out in Appendix 1) encourages managers to explore the root cause of mental health amongst their workforce and whilst open communication is always encouraged along with early interventions, it is recognised that not everyone feels confident in talking about mental health, the reasons for this and the support they seek.
- 2.3 As part of our future survey and engagement plan, employees will be invited to express their views on this matter and suggestions of better practice and support mechanisms will be considered. There may also be individual service surveys carried out by Service Mental Health and Wellbeing groups to allow them to identify bespoke and targeted supports required.
- 2.4 Service Mental Health and Wellbeing Groups have been operating since 2023 and whilst some are more advanced than others in regards to future action plans, going forward these groups will be encouraged to engage in a number of activities that will allow for further exploration of mental health within their service area and to consider the needs of current and future staff in a very different operating model and working environment. Training on mental health first aid will be delivered to all members of these working groups over the coming months to provide a better and wider understanding of the symptoms, condition and supports required.
- 2.5 In addition to the Service Groups, a Council wide Group was established to oversee the work of the service groups but also to ensure discussion took place around best practice, successes and failures, upcoming issues and challenges and initiatives, interventions. The Council wide group can also influence change to current practices, policies and procedures if deemed necessary and appropriate.

2.6 Whilst not all directly linked to the Council or Service Led Working Groups, over the last year, the following activities have taken place to support mental health and wellbeing in the Council:

- Menopause café
- Mens health week
- Mindfulness sessions run by external specialists in the field.
- Bite size Mental Health sessions run by specialists.
- Health kiosks.
- Think Well internet information.
- Training for managers on how to deal with mental health amongst their workforce.
- Bespoke training for teaching staff to build resilience and deal with work-related stressors.
- Training for members of Service Mental Health groups.
- National Mental Health Awareness Week.
- International stress awareness day.

2.7 During recent years, a review of the Supporting Attendance Policy for Single Status staff has resulted in a roughly 10% improvement in Mental Health and Wellbeing absences, with the introduction of early intervention discussions, individual stress risk assessments and a plethora of information being made available on MyNL and Workwell NL.

2.8 As mental health conditions remain the top reason for absence within the Council, we will continue to focus on support for both managers and employees. One aim of the strategy will be to continue with the provision of tools, information and training for managers and in particular around holding difficult conversations, recognising mental health symptoms and putting the appropriate support in place at the earliest possible point.

2.9 Whilst work will continue around mental health absences and every effort will be made to reduce the levels of these, it is important to recognise the supports and initiatives that have been put in place in the last year in a bid to improve not only the levels of mental health absences, but the quality of working lives and wellbeing of our employees. Detailed below is a list of events/training that have taken place in the last year:

- Mental Health & Wellbeing event for Teachers held in two high schools on the February in-service day which comprised of mental health awareness sessions and information/signposting stalls which was supported by our occupational health partners MEDIGOLD Health and VITA Health. A total of 244 awareness sessions were attended, which was a 67% uptake. The feedback from the event was very positive and a further event will be arranged later in the year.
- Let's Talk Menopause Event for employees experiencing symptoms of the menopause (including peri and post) – this event was very well attended and supported by colleagues in Creative Communities, Active NL, Strategic Communications & Engagement as well representatives from the NHS and New College Lanarkshire (Motherwell Campus). The feedback for this was fantastic and showed a real need for more events like this, which will be arranged throughout the year ahead including events for men and other gender groups affected by the menopause or hormonal changes. A network of Menopause

Ambassadors will be developed who will take forward smaller events across service areas such as Menopause Cafes.

- Understanding Menopause Sessions for Employees – this was a 60-minute online session provided by HML (now part of Medigold) and approx. 200 employees attended a session. Requests have been received for more of these, which will be arranged.
- Menopause at Work for Line managers – this was a 4-hour training session attended by approx. 30 managers across various Services. The course was developed and delivered by HML (now part of Medigold) to support the launch of the new Menopause & Hormonal Changes Policy. As with the sessions for employees more sessions have been requested and will be arranged in due course.
- To support the Education & Families Absence Action plan a Mental Health awareness online workshop for Head Teachers was developed and delivered by HML (now part of Medigold) in April after the easter break and all Head Teachers were asked to attend (or nominate a Depute Head if they were unable to attend). 150 places were available and 115 were utilised, which is a 76.6% uptake. This was a positive response demonstrating an understanding on the part of Head Teachers of the importance of enhancing their knowledge in this area to better support their staff and improve mental health related absence levels.

- 2.10 Another key focus will be on building resilience amongst the workforce. As resources are shrinking and staff are required to become more versatile and flexible, it is important that we build a workforce that is resilient and adaptable to change and in creating that workforce they need to feel valued, supported and engaged. Whilst it is difficult to pinpoint the needs of a large group of employees, managers through discussions and engagement with their teams should be able to recognise systemic issues and work to resolve them quickly.
- 2.11 More recently, the Council has recognised the importance of trauma informed practices and the impact this has on both customers and employees. Being trauma informed means being able to recognise when someone may be affected by trauma, collaboratively adjusting how we work to take this into account and responding in a way that supports recovery, does no harm and recognises and supports employees resilience. This practice must underpin our Mental Health and Wellbeing Strategy recognising that understanding employees has the potential to improve engagement, health outcomes and wellbeing. Again, whilst difficult to be prescriptive about how trauma informed practice will impact on a large group of employees, by instilling the values across the board, it provides a vehicle to improved mental health outcomes.
- 2.12 The Council has worked hard in the last year to introduce initiatives and activities above those that are already in existence to support the mental health and wellbeing of employees and these are detailed at 2.6. In addition, the Council has introduced a permanent Hybrid Working Scheme that provides employees with a flexible approach to work that they have never had before encouraging a good work-life balance.
- 2.13 As part of the revised strategy, the Council will continue to review all policies and procedures that could potentially be influenced by national and/or environmental factors and consequently impact on the mental health of our employees. Work will also continue across services to ensure that all support services are available and accessible to those who need them. Service led initiatives will also become a priority based on assessed need and future requirements of both managers and employees.

- 2.14 Over the coming year, the Council will continue with its commitment to improving the mental health and wellbeing of its employees through a revised and refreshed mental health strategy that focuses on building a workforce for the future that is resilient, adaptable, confident and ambitious.
- 2.15 Whilst the Council mental health strategy is largely aimed at employees, mental health e-learning courses, information on work well NL and access to employee counselling etc is also available to elected members.

3. Measures of success

- 3.1 North Lanarkshire Council continues to be considered as an employer of choice and is recognised for its commitment to the mental health and wellbeing of its workforce.
- 3.2 Employees feel valued and understood and have the confidence to approach their manager or other supports about their mental health and wellbeing.
- 3.3 Both managers and employees know how, where and when to access mental health and wellbeing supports.
- 3.4 Absence levels related to mental health illnesses reduce significantly across the Council.

4. Supporting documentation

Appendix 1 Revised Strategy Document



Fiona Whittaker
Chief Officer (People Resources)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>
5.6 Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?

	<p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.7</p>	<p>Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.8</p>	<p>Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.9</p>	<p>Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p>
<p>5.10</p>	<p>Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
<p>5.11</p>	<p>Children's rights and wellbeing impact</p> <p>Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

Mental Health and Wellbeing Strategy

Version 3

People Resources

August 2024



Document control

Title	Mental Health and Wellbeing Strategy		
Owner	Fiona Whittaker, Chief Officer (People Resources)	Contact	Whittakerf@northlan.gov.uk
Governance Group	Finance and Resources Committee		
Author	Fiona Duddy Linda Cullen	Contact	Duddyf@northlan.gov.uk CullenLi@northlan.gov.uk

Revision History

Number	Originator	Date Review Commenced	Revision description/record of change
Original Strategy	Heather Liddle	September 2019	Initial Strategy approved
2.0 Updated Strategy	Fiona Duddy	September 2022	Updated Strategy approved
3.0 Updated Strategy	Fiona Duddy Linda Cullen	August 2024	Updated Strategy incorporating One Workforce Plan and Trauma informed practices. Title also updated to reflect requirement to consider overall wellbeing of employees including mental health.

Document Approvals

Number	Governance Group	Date approval granted	Date approval to be requested (if document still draft)
Original Strategy	Finance and Resources Committee	18.09.2019	18.09.2019
2.0 Updated Strategy	Corporate Management Team	September 2022	September 2022
3.0 Updated Strategy	Chief Executive's SLT Finance & Resources Committee	25 July 2024 11 September 2024	September 2024

Consultation Record (for most recent update)

Status of document consulted upon	Version 3 – Updated Mental Health and Wellbeing Strategy
Stakeholders consulted/date	Chief Executives SLT (25.07.24) Finance & Resources Committee (11.09.24)

Strategic Alignment

All priorities
All Programmes of Work
One Workforce Plan
(23) Build a workforce for the future capable of delivering on our priorities and shared ambitions.

Next review date

Review Date	To be determined as going forward will be incorporated into the One Workforce Plan where continual reviews will occur.
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Introduction

The Mental Health and Wellbeing Strategy has been developed over the years in recognition that raising awareness and creating an open workplace culture where employees feel comfortable talking openly about their mental health and wellbeing, promotes a positive environment which can help employees to improve their mental health. The World Health Organisation states that *'Workplaces that promote mental health and support people with mental health disorders are more likely to reduce absenteeism, increase productivity and benefit from associated economic gains'*.

With changes to the way we live and work, mental health and wellbeing remains a growing concern and as an organisation it is important that we continue to focus on and prioritise promoting and protecting the mental health of our workforce. In addition, as we continue on our journey to embed an ambitious, innovative and forward-thinking organisation through our One Workforce Plan, it is important that we acknowledge that good mental health amongst our workforce is key to our success and therefore employee engagement and wellbeing will remain a core pillar of the plan along with associated strategic priorities which are aligned to known and ongoing challenges with continued high rates of mental health related absences across our workforce and in wider society.

It is also important to recognise the significance of trauma informed practice and the correlation with mental health and wellbeing. Trauma informed practice ensures employees feel safe, empowered, and confident to seek support when they need it most and whilst basic training is currently mandatory for a number of managers and employees, it is important to recognise the benefits of this practice within the Mental Health and Wellbeing Strategy.

This updated strategy, whilst fundamentally remains unchanged in its purpose and intent, will incorporate the priorities of the One Workforce Plan, trauma informed practice and our commitment to building and maintaining a strong level of workforce capacity where resilience is key.

Scope

This strategy applies to all employees of the Council.

Statement of Intent

As a responsible employer, the Council is committed to proactively promoting positive mental health and wellbeing in a stigma free workplace.

This means that we recognise that mental health issues are a natural part of everyday life and work, and that employees can only contribute to their best ability when they are supported in a positive work environment. In seeking to create this type of environment for our employees, we will continuously strive, as far as is reasonably practicable, to support the mental health and wellbeing of our employees throughout the organisation. This will be achieved through effective policies and practices and training that help to

Mental Health and Wellbeing Strategy

create a safe, supportive and stigma free environment to work in, alongside the provision of mental health supports for times when employees do experience mental health and wellbeing challenges in the course of their life and/or work and for whatever reason.

Definitions

“Mental health is a state of mental well-being that enables people to cope with the stresses of life, realise their abilities, learn well and work well, and contribute to their community. It is an integral component of health and well-being that underpins our individual and collective abilities to make decisions, build relationships and shape the world we live in. Mental health is a basic human right. And it is crucial to personal, community and socio-economic development.” (World Health Organization).

For the purposes of this strategy the following terms will be used:

Mental health – we all have mental health. This is an umbrella term which refers to a range from positive mental health to poor mental health. This can be mild to moderate or more serious, severe and enduring. Your mental health doesn’t stay the same. It can fluctuate as circumstances change and as you move through different stages in your life.

Mental wellbeing - is our internal positive view that we are coping well psychologically with the everyday stresses of life and can work productively and fruitfully. We feel happy and live our lives the way we choose.

Mental illness - is a health condition that affects emotions, thinking and behaviour, which substantially interferes with or limits our life. If left untreated, mental illnesses can significantly impact daily living, including our ability to work, care for family, and relate and interact with others.

Mental illness is a term used to cover several conditions (e.g. depression, post-traumatic stress disorder, schizophrenia) with different symptoms and impacts for varying lengths of time for each person. Mental illnesses can range from mild through to severe illnesses that can be lifelong.

We may find these early warning signs of a problem hard to see in ourselves, and it can help to have managers and colleagues who are knowledgeable, understanding and supportive.

Resilience – a term that refers to the ability to function well under pressure, adapt to changing demands and recover (quickly) from the impact of difficult situations. Like mental health, resilience can fluctuate over time. It can be strengthened through a set of learnable skills and coping mechanisms.

Our Duties as an Employer

Under the Equality Act (2010) it is illegal to discriminate directly or indirectly against a person who considers themselves to be disabled. You also cannot discriminate against anyone because of an association with a disability, for example, an employee who cares for a disabled relative. A disability is defined as a physical or mental impairment that has a long term, adverse effect on a person's ability to carry out normal day to day activities.

Under this legislation, employees experiencing ongoing poor mental health may be considered to have a disability. As an employer, we must therefore ensure that any employee who considers themselves to be disabled is treated fairly and, where appropriate, that we make reasonable adjustments to enable them to do their job to the best of their ability.

Under the Health & Safety at Work etc Act 1974 employers have a duty to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all employees.

This legal duty is further expanded within the Management of Health & Safety at Work Regulations 1999 which places a requirement on the Council to ensure suitable and sufficient risk assessments of the risks to the health and safety of employees to which they are exposed whilst they are at work.

The duty to risk assess includes stress and this is addressed through the use of the stress/mental wellbeing individual assessment form available to managers. This document reflects the Health & Safety Executives stress management standards looking at demands, control, support, relationships, role and change. Each category is looked at within the risk assessment to identify where issues may lie and in turn controls to address these. It is important that managers establish at the earliest possible point the cause of an employee's poor mental health and early discussions are encouraged as well as completing the appropriate risk assessment(s).

Trauma Informed Practice

In addition to the above, managers and employees will be encouraged through basic and advanced training to consider the impact of trauma on an individual's health and wellbeing. Experts define trauma as an emotional injury that affects performance and well-being. To help support our employees struggling with trauma, we aim to have a work environment informed by trauma where employees feel free to discuss their needs. When employees receive proper support and care, they are more likely to stay at work or if they are absent, return sooner. By ensuring we have a trauma-informed management approach, we can help employees by:

- Realising the widespread impact of trauma and understand paths for recovery.
- Recognise the signs and symptoms of trauma in employees.
- Integrate knowledge about trauma into policies, procedures and practices.
- Avoid re-traumatisation.

Managers will be asked to undertake mandatory training in this area and to always apply the principles of trauma informed practice.

One Workforce Plan

The Council has a strong track record of engaging with and supporting the wellbeing of its workforce, and with continued high rates of mental health related absence across our workforce, this area will remain a core workforce priority in the years ahead. The strategic aims within the One Workforce Plan in relation to employee engagement and wellbeing are outlined as follows and will form the basis of the key priorities of the strategy as detailed in the next section.

- To build on our previous IIP survey approach, by developing a broader staff survey and engagement plan, which fully engages our staff at all levels, aligned to our Programme of Work, our One Service programme and linked to our responsibilities as a fair work employer under the key pillar of effective voice.
- To continue to deliver the aims and objectives within both our Mental Health Strategy, and Managing Attendance Policy, including maintaining a strong health and wellbeing offering to all of our employees and through our service based mental health groups.
- To maintain a strong wider staff support and benefits offering under our Workwell NL banner, providing staff discounts and other health and wellbeing supports to help with cost-of-living challenges, including our salary sacrifice schemes.

Key Priorities

The following key priorities have been updated to reflect the ambitions of the One Workforce Plan as detailed above and the Council's commitment to supporting and improving the mental health and wellbeing of its workforce.

1. To develop a supportive and stigma free culture, encourage resilience and address factors that may negatively affect mental wellbeing.

Associated actions:

- Ensure the Council based mental health group continues to facilitate ongoing and progressive initiatives and campaigns whilst sharing best practice and participating in national programmes etc.
- Undertake surveys of employees as appropriate.
- Reduce discrimination and stigma by increasing awareness and understanding of mental health illness.

- Informing employees to increase their awareness of mental wellbeing and build confidence and resilience.
- Ensure all managers are aware of the mental health strategy and can implement its requirements.
- Provide training at an appropriate level for all employees in the early identification, causes and appropriate management of mental health issues such as anxiety, depression, stress and the effects of change management.
- Encourage trauma informed awareness amongst all employees including undertaking the appropriate level of training to implement the key principles of trauma informed practice - choice, empowerment, safety, trust and collaboration. Taking forward policies, procedures and discussions using a trauma informed lens.

2. To support employees to minimise the risk of mental ill health by providing access to relevant information, support and advice on stress, resilience and coping mechanisms.

Associated actions:

- Ensure Service based groups continue to promote activity and awareness of mental health supports and initiatives relevant to their service.
- Provide and continue to promote opportunities for employees to look after their mental wellbeing, for example through specific targeted workplace initiatives as well as other ongoing wellbeing activity.
- Provide systems that encourage predictable working hours, reasonable workloads and flexible working practices where appropriate.
- Establish good two-way communication to ensure employees involvement, particularly during periods of organisational change.
- Promote and support opportunities to enhance professional development, identified through Performance Review & Development (PRD).

3. To provide support for employees experiencing mental health difficulties.

Associated actions:

- Ensure individuals suffering from mental health illness are correctly supported and treated fairly and consistently and regularly review practices related to addressing mental health and wellbeing issues.
- Encourage managers and employees to discuss at the earliest opportunity mental health issues that are impacting on work and/or personal life ensuring

that early interventions are considered and put in place to prevent unnecessary and protracted periods of absence.

- Manage return to work empathetically for those who have experienced mental health illness and in cases of long-term sickness absence, put in place, where possible, a phased return to work.
 - Ensure employees are aware of the support that can be offered through occupational health, employee counselling or alternatively their own GP, or a counsellor. Maintaining contact with employees throughout the period of any applied support.
 - Treat all matters relating to individual employees and their mental health illness in the strictest confidence and share on a 'need to know' basis only with consent from the individual concerned.
4. To build confidence in our managers through appropriate training enabling them to use proactive approaches in reducing instances of poor mental health at work recognising that managers also have a duty to identify and address causes of poor mental health in the workplace before it has a prolonged, adverse effect on employee's health.

Associated actions:

- Ensure managers are appropriately supported to effectively address mental health issues.
- Ensure managers are trauma informed and able to practice confidently the principles of this.
- Adopt the principles of the HSE Stress Management Standards for employees.
- Work in partnership with trade union safety representatives on matters relating to the prevention of poor workplace mental health.
- Provide training related to mental health and other associated topics as appropriate with practical tools for managers to use proactively.
- Where remote working is in place managers will maintain appropriate levels of contact allowing early identification of any issues.
- Provide appropriate signposting for support and advice for managers to use.
- Provide access to confidential counselling and additional supports as required.

Responsibilities

The Council

- ✓ Proactively promote and support positive mental health and wellbeing for all employees.
- ✓ Equip managers with the necessary training and guidance to appropriately respond to employees presenting with mental health concerns and/or confidential disclosures of a mental health diagnosis.
- ✓ Build a culture that tackles mental health stigma, discrimination and harassment.
- ✓ Develop a culture that breaks the silence around mental health.
- ✓ Provide access to a range of appropriate support mechanisms.
- ✓ Support our managers as they manage employees with mental health concerns.

Managers

- ✓ Lead by example, promoting positive working practices including the provision of debriefing following any incident that has caused distress to an employee(s)
- ✓ Undertake appropriate, relevant training to ensure a good understanding of mental health issues and appropriate management practices.
- ✓ Be understanding, sensitive and available to employees who wish to discuss or disclose information about their mental health.
- ✓ Understand the early signs of poor mental health. Where there are concerns, discuss with the employee quickly and sensitively to enable the offer of proactive support to be accessed at an early stage.
- ✓ Empower employees by making them aware of the supports available, including training and development opportunities.
- ✓ Encourage a culture that prevents stigma, discrimination or harassment around the subject of mental health and to employees who may be struggling with mental health concerns.
- ✓ Provide a safe work environment where employees can discuss mental health, individually or in teams which may include consideration of utilising appropriate meeting facilities which may not be a Council building.
- ✓ Include overall wellbeing as a topic on 1 to 1's and at team meetings.
- ✓ Undertake regular team mental health checks.
- ✓ Support employees before, during and after returning to work following a period of absence due to mental health.

Employees

- ✓ Be aware of their own mental health and wellbeing, and how to stay healthy and resilient.
- ✓ Recognise the importance of mental health and wellbeing and its impact on your work and personal life.
- ✓ Seek support at the earliest opportunity when you recognise any mental health concerns.

- ✓ Support a culture where mental wellbeing is valued and promoted and where mental health stigma, discrimination or harassment linked to mental health is not tolerated.
- ✓ Support their colleagues when they want to discuss their own mental health concerns.
- ✓ If concerned about their mental health, speak to their line manager, The employment and policy team within People Resources, trade union or employee forum representative.

Communication

All employees will be made aware of the Mental Health and Wellbeing Strategy and the support available to them. Managers will be encouraged to communicate openly and honestly about mental health and wellbeing with their teams and regular updates will be provided to all employees through communications and the use of Work Well NL.

Review and Monitoring

The Council's Mental Health and Wellbeing Strategy will be reviewed on an ongoing basis with a view to being incorporated into the One Workforce Plan.

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☐ Yes ☒ No

Ref AA/CC

Date 11/09/24

Annual Data Protection Report Financial Year 2023/24

From Archie Aitken, Chief Officer (Legal and Democratic)

E-mail aitkena@northlan.gov.uk

Telephone

Executive Summary

The purpose of this report is to provide the Committee with information on the Council's Data Protection compliance and activity in respect of Financial Year 2023/24.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Give consideration to the contents of the report.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 This report by the Chief Officer (Legal and Democratic), as the Council's Data Protection Officer (DPO), provides an update in relation to the Council's data protection compliance and activity in respect of the Financial Year 2023/24.

2. Report

- 2.1 A need to review corporate procedures for dealing with subject access requests was previously identified to ensure that these were being dealt with consistently across the Council. Comprehensive Subject Access Request (SARs) Guidance was completed in April 2021 and circulated to Services in June 2021.

Personal Data Breaches

- 2.2 The DPO maintains a record of personal data breaches in accordance with the Data Protection Act 2018 and the UK General Data Protection Regulations (GDPR). Where a breach is assessed as resulting in risk to the rights and freedoms of the individual(s) affected, there is a requirement to report the breach to the Information Commissioner's Office (ICO).
- 2.3 The total number of breaches notified to the DPO since the last report is 152. This compares with 70 in the previous report. Of these, 10 met the threshold for reporting to the ICO, compared with 5 in the previous year.
- 2.4 The tables below provide a breakdown of personal data breaches which occurred and those which are considered a near miss, a near miss is defined by the ICO as an incident that could have caused a breach but didn't:-

Service	No. of Breaches	No. of Near Misses
Chief Executive	33	0
Education & Families	55	0
Enterprise & Communities	35	2
Adult Health & Social Care	29	3
ALEOs	0	0
TOTAL	152	5

- 2.5 Personal data breaches which are reportable to the ICO should be reported within 72 hours of an organisation becoming aware of a breach. The breach notification form has since been updated, making it more user friendly and the newest version is available now on insideNL. This new breach notification form is accompanied by guidance on how the form should be completed.
- 2.6 An internal deadline has been introduced so that services should now notify the Information Governance team within 24 hours of becoming aware of a personal data breach even where they are only in a position to complete a the very basics of a breach notification form. It is envisaged that the new notification form, accompanying guidance and internal deadline for reporting to the Information Governance team will improve compliance in relation to the ICO's 72 hour deadline. The following statistics show that compliance with reporting personal data breaches to the ICO within 72 hours has significantly improved since March 2023. In March 2023, 70% of personal data breaches were reported within 72 hours, in July 2024, 100% of personal data breaches were reported within 72 hours.

- 2.7 The ICO did not take enforcement action in respect of any of the reported breaches for 2023/24. However, it is worth noting that the ICO set out a revised approach in June 2022 that the Commissioner exercises a discretion in order to reduce the impact of fines on the public sector, coupled with better engagement including publicising lessons learned and sharing good practice. This was to be trialled for two years initially ending in June 2024. To date, there has not been an announcement of an extension of this arrangement and so it could be that this will not be extended. It is also worth noting that any such arrangement means a potential increased use of the ICO's wider powers, including warnings, reprimands and enforcement notices, with fines only issued in the most serious cases.
- 2.8 The ICO has issued guidance to the Council in relation to reported breaches including:-
- The importance of accurately recording information about data subjects within records and ensuring that any manually recorded information is accurately migrated into any electronic record;
 - Any attachments to emails should be correctly identified and that any manual correspondence be accurately addressed and contain only information properly intended for that recipient;
 - Populated forms should not be provided in response to requests for blank forms;
 - Forms populated with an individual's personal data must not be used as a template;
 - Appropriate double checking and verification measures should be in place;
 - Managers must remind staff of their responsibilities to ensure that personal data is processed securely.
 - In relation to cleansing of laptops, there must be appropriate checks to ensure that any personal information is removed before issuing these laptops for use in school classrooms;
 - Conduct appropriate checks of any devices that are used by pupils to ensure that there is no personal information saved on them in error;
 - Changes of procedures should be communicated to all staff with routine testing of the effectiveness of measures in place, and appropriate checks that staff are adhering to these measures;
 - Remind staff of the provisions of section 170 of the Data Protection Act 2018 which states that it is a criminal offence to unlawfully obtain, disclose, or retain personal data without the consent of the controller;
 - Consider use of the schedule assistant to allow further time to check contents and recipients are correct;
 - Documents containing personal data should be password protected before they are sent electronically, with the password sent in a separate email;

- Only members of staff who are required to use the personal data should have access to it;
- Care should be taken when discussing personal data in the presence of anyone who isn't authorised to know about it;
- When individuals request that their personal data is handled in a particular way for example, where there are concerns about their personal safety then this should be clearly marked on their file and vigilance should be taken to ensure that these requests are complied with;
- Ensure systems are up to date and correct.

2.9 As stated, there were 152 recorded personal data breaches between 1 March 2023 and 29 July 2024. This figure exceeds the 70 breaches which were included in the previous DPO report. It is difficult to draw any definitive conclusions at this stage as to the reasons why there has been a substantial increase in the number of data breaches which have occurred during financial year 2023/2024. It is possible that Services are more actively reporting data breaches as awareness continues to develop. It is, however, important to recognise that GDPR has now been in force for almost six years and, as more time elapses, a lack of awareness of compliance obligations under UK GDPR becomes increasingly unlikely to constitute a viable explanation for any escalation in levels of personal data breaches. It would be remiss to ignore that this could also be due to a requirement for continuing training and, accordingly, the Information Governance Team continues to develop training on how to prevent personal data breaches and on what to do where a personal data breach occurs.

Complaints

- 2.10 There was one recorded complaint received by the ICO during 2023/24. This related to concerns about responses to a Subject Access request.
- 2.11 The ICO has adopted a policy of increasingly encouraging data controllers to engage directly with individuals who have made complaints to it, rather than the ICO directly intervening. At the conclusion of the complaint, where the ICO has decided not to take any formal enforcement, it will usually make recommendations to the data controller about any steps which it feels could be taken to address any shortcomings in respect of compliance. Any such recommendations have been conveyed directly to relevant Services by the Information Governance Team and by periodic reporting at meetings of the Data Governance Board.
- 2.12 The total of one reported ICO complaint compares with five reported ICO complaints for 2021/2022 which represents a significant decrease. It is not possible to definitively ascertain whether this decrease results from an increase in the standard of compliance or, decreased general awareness of the right to complain to the regulator.

Data Protection Training

- 2.13 The Council's online training portal has several mandatory training modules which staff are required to complete every two years. Data Protection and Information Security Awareness training falls within the pool of mandatory training and the level of uptake of these modules is reported to and monitored by the Data Governance Board. In addition to the basic Data Protection training module, an advanced Data Protection module has been developed and, since June 2021, the advanced training module has

been mandatory for all employees who have responsibility for staff and for those whose roles have been identified as requiring an enhanced level of training.

- 2.14 A review of the Council's Information Governance and Security arrangements has been undertaken and is detailed in the Internal Audit Progress Report which was reported to the Audit and Scrutiny Panel in March 2021. The review concluded that, while there was a 'reasonable assurance' that the Council had appropriate and generally effective arrangements in place in relation to information governance and security, the level of uptake of mandatory training across the Council by relevant staff was low and in need of improvement.

Mandatory Training Levels of Compliance: -

	April 2023	July 2024
Data Protection Essentials	54%	74%
Data Protection Advanced	65%	61%
Information Security Awareness	52%	72%
Records and Information Management Course	49%	68%
Introduction to Risk	49%	70%


Service Specific Training

- 2.15 Further training sessions have been developed and delivered by Legal Services' Information Governance Team. Face to face training has been delivered through the MS Teams platform to officers within Social Work who have direct responsibility for responding to subject access requests. The number of attendees at these training sessions were as follows: -

October '22 (4 sessions)	73
14 December '22	25
20 February '23	41
29 February '23	55

- 2.16 The Social Work Training sessions have been recorded and the recording is available at: -

 [SARS training for social work facilitated by Paul Corrigan and others-20240229_093753-Meeting Recording.mp4](#)

 [SARS training for social work facilitated by Paul Corrigan and others-20240229_112702-Meeting Recording.mp4](#)

- 2.17 Training sessions were also conducted with Housing on 7 and 14 November.

7 November '23	22
14 November '23	24

- 2.18 The training to date has encompassed a variety of officers, including social workers, senior social workers and residential and housing managers. The training encompassed and reinforced principles contained within Corporate Subject Access Request Guidance, with a particular emphasis on good practice in the redaction of information in responses to requests. The training also focused on the importance of responding within statutory timescales and of appropriately supporting Social Work

clients who may be receiving substantial quantities of extremely sensitive personal information.

- 2.19 During the training, Social Work addressed technical administrative processes for responding to requests. MS Adobe Pro software has been implemented by Social Work as a more effective and efficient method of redacting documents and the training included a session on the use of this application.
- 2.20 Legal Services aims to continue to deliver similar training to all Services as part of a rolling programme yearly.

Subject Access Requests

- 2.21 The Council's SharePoint platform has been used since December 2019 to record the number of SARs received by Services and the extent of compliance with statutory timescales in responding to such requests. SARs received in relation to social work matters are currently recorded separately on the Social Work Information System (SWIS). The volume of SARs received throughout the Council and the extent of compliance is reported quarterly to the Data Governance Board.
- 2.22 465 SARs were recorded as received between March 2023 and July 2024, 60% of which were responded to on time. This compares with 209 SARs received in the previous year, of which 57% were actioned within statutory timescales. There has been a significant increase in the number of SARs received by the Council, particularly within Social Work as can be seen in the following table: -

SARs March 2023 - July 2024: -

Service	No of SARs	SARs responded to on time	% responded to on time
Social Work	305	114	50%
Non-Social Work	160	80	83%
Total	465	194	60%

SARs 2022/23

Service	No of SARs	SARs responded to on time	% responded to on time
Social Work	126	52	41%
Non-Social Work	84	68	80%
Total	209	120	57%

- 2.23 There has been a significant improvement in the rate of compliance with statutory timescales for responding to SARS despite a higher overall number of SARs being received.
- 2.24 The Information Governance Team has been working closely with Social Work to ensure that SARs are responded to within statutory timescales. As mentioned previously, Social Work staff have attended training with the Information Governance team in high numbers which has increased the number of staff able to deal with SARs. They have also introduced a new rota for allocating SARs.

- 2.25 Since the last DPO report, the Information Governance Team has delivered SAR training which has been specifically tailored to individual services, focusing initially on the Services which receive the highest volume of SARs, namely Social Work and Housing. It is intended that a programme of training will be available to all Services in relation to SARs, personal data breaches and wider information governance issues. The Information Governance Team is also developing a Corporate Redaction Policy which will not be limited to SARs but will provide further guidance on redaction more widely.

3. Measures of success

3.1 These consist of: -

- Continued compliance with statutory responsibilities
- Improved Compliance with SAR response deadlines
- Increased numbers of staff undertaking service specific Data Protection/Information Governance Training
- Increased compliance with mandatory training
- Reduction in the number of incidents requiring to be reported to the ICO.

4. Supporting documentation

None



Archie Aitken
Chief Officer (Legal and Democratic)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? This Report forms part of the duties of the Council's Data Protection Officer (DPO) whose role is to facilitate compliance with data protection legislation.
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

5.6	Technology / Digital impact
Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
5.7	Environmental / Carbon impact
Does the report / project / practice contain information that has an impact on any environmental or carbon matters?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.8	Communications impact
Does the report contain any information that has an impact on the council's communications activities?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.9	Risk impact
Is there a risk impact?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?	
This report contains tracking and monitoring performance information relating to Information Governance and Information Security. The Information Governance and Information Security Risk is a key corporate risk on the Council's Risk Register with a residual rating of 20. Tracking and monitoring performance in this area forms part of the management controls which aim to reduce the risk and provide assurance on how effectively it is being managed.	
5.10	Armed Forces Covenant Duty
Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.	

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes ☐ No ☐

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? ☐ Yes ☒ No

Ref KH/LB

Date 11/09/24

Digital North Lanarkshire Programme of Work - Improving Services

From Katrina Hassell, Chief Officer (Business and Digital)

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Executive Summary

Members of the Committee are aware of the Council's original DigitalNL transformation programme as approved in 2018/19. More recently, in March 2023, a report on the Programme of Work to 2028 was approved at Policy and Strategy Committee. This report outlined seven areas of work, each with a Programme of Work (PoW) Board. One such Board is Digital North Lanarkshire.

In recognising the remits of the new PoW Boards, the initial Digital NL programme was formally terminated in October 2023 with the new Digital North Lanarkshire PoW Board incorporating all remaining work strands into its overarching delivery plan.

To fulfil the approved reporting requirements of the Programme of Work to 2028 this, and future reports to the Finance and Resources Committee, will encompass all areas of work from the Digital North Lanarkshire Programme of Work Board which sit within this Committee's terms of reference. A summary of this anticipated reporting, illustrated within Appendix One for member information, aims to support delivery of Ambition Statements 18, 24 and 25 detailed overleaf.

This report therefore provides an overview of progress to date on digital projects - targeted for consideration within this committee cycle – which aim to improve the efficiency of internal and external facing services. This report focusses specifically on three areas of work.

Firstly, Purchase to Pay (P2P). This refers to the end-to-end process in which goods and services are purchased and ultimately paid for.

Secondly, this report also provides an update on a corporate approach developed to ensure that project management and change management effectively complement each other and work in tandem to support delivery of the Programme of Work to 2028. Through developing these aligned arrangements, the people most affected by service redesign and/or change processes are supported to transition smoothly and embrace, adopt, and use the solutions associated with the change. In effect, this approach improves scope to ensure there is no gap between intentions and results.

And finally, the Paperless Office and the developments currently underway to drive such change across all Council services.

Recommendations

It is recommended the Finance and Resources Committee:

- (1) Acknowledge the contents of this report, and
- (2) Endorse the next steps outlined herein.

The Plan for North Lanarkshire

Priority	All priorities
Ambition statement	(18) Ensure our digital transformation is responsive to all people's needs and enable access to the services they need (24) Review and design services around people, communities, and shared resources (25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Digital North Lanarkshire

1. Background

- 1.1 Members will be aware of the Programme of Work to 2028, to support delivery of The Plan for North Lanarkshire, which was approved at Policy and Strategy Committee in March 2023.
- 1.2 Digital North Lanarkshire, one of the seven priorities contained within the Programme of Work, has the overall aim to develop a skilled digital workforce, promote an innovative, sustainable culture, and be the digital leader for a transformed North Lanarkshire. This programme will be a key enabler in delivering the other programme of work priorities and driving economic growth as well as transforming the education and abilities of learners of all ages.
- 1.3 The previously approved DigitalNL transformation programme came to an end in October 2023 with the existing sprint roadmap (service review programme) thereafter being incorporated into the Digital North Lanarkshire Programme of Work.
- 1.4 One key sprint incorporated into the revised programme was the opportunity for savings identified around improving Purchase to Pay (P2P) processes. Purchase to Pay refers to the end-to-end process in which goods and services are purchased and paid for. This includes all steps from identifying the need for goods and services through to paying the supplier.
- 1.5 In March 2020, the council's Business Partner, PwC, was engaged to carry out an assessment on current P2P processes. The scope of this review covered the transactional elements of the P2P process including requisitions; ordering; purchase approval; goods receipt; invoice processing and payments. The review did not cover the procurement policy and strategy, monitoring compliance; tendering or negotiations/contract award.
- 1.6 The findings from the review focused on operational rather than strategic activity. The review highlighted that:
 - The council's P2P processes are fragmented with several different processes and systems being operated within services to process purchase to pay procedures and supplier spend.
 - There is little automation in the P2P process with a prevalence of paper resulting in

- many instances of double keying, transporting of paper files and the risk of error or delay.
- There is a large variation and disproportionate governance of the process, in some areas it is very light, in others there are often multiple sign-offs required for the same level of spend. Roles and responsibilities vary across different service areas in relation to the process e.g. required authorisation levels are not standard.
 - A high proportion of invoices are not matched to purchase orders and there is a significant level of manual input.
 - Management information should be used in a standard way to drive business intelligence around supplier spend and inform decision making.
- 1.7 In addition to the findings from the review, the Purchase to Pay system controls and processes are subject to an annual Creditors Regularity and Control Environment Audit. The Internal Audit ([April 2024](#)) recently completed was considered to offer limited assurance, with a “High” priority “Red” recommendation identified due to a lack of operational interface between PECOS and eFinancials creating a significant weakness in the control framework for raising orders and paying invoices.
- 1.8 To create a cohesive approach to service redesign across the Council, a collection of resources and tools that can be used to manage change effectively, including templates, checklists, training materials and other resources to help plan for, implement and track changes has been developed
- 1.9 The requirement to transfer the Council into a paperless office is an activity within the Digital First Operations sub-group with the ambition to either eliminate or significantly reduce the use of paper by converting documents into digital formats. This will be achieved by utilising different technologies including document imaging, workflow automation and cloud storage. The focus will be on streamlining operations, reducing clutter and making the search and retrieval of information easier. This will also contribute to the Council’s environmental sustainability by reducing paper waste.

2. Report

Purchase to Pay (P2P)

- 2.1 Following the review of the P2P process by the council’s Business Partner, PwC, the former Transformation and Digitisation Committee approved the P2P service sprint, which commenced in November 2021. Learnings from the pandemic also highlighted changes to the way the council works, and an opportunity was seen to build on this and move current P2P working into a paperless or paper-light process with tangible outcomes.
- 2.2 A steering group was set up under the guidance of the Chief Officer (Place) and a small working group established to re-design the P2P process.
- 2.3 The working group includes subject matter experts from the creditors and procurement teams from within the Council and two external partners, Elcom and Integrella, who provide technical advice and support.
- 2.4 Elcom is responsible for the operation of the Scottish Government’s Pecos P2P system, processing over £6.5bn of Scottish Public Sector spending each year. The Pecos P2P solution is available to all Scottish Public Sector Bodies. Integrella work in partnership with Elcom to provide IT services to support the Pecos system.
- 2.5 It was agreed the scope of the review was to:
- design standardised processes that maximise the use of technology through system

- integration
 - reduce or remove paper-based processes
 - implement electronic invoicing and three-way matching
 - create a workforce for the future
- 2.6 The outcomes and benefits of this project were identified as:
 - streamlined process with a constant way of working across the council.
 - maximising system integration opportunities
 - the removal or reduction of paper-based processes
 - implementation of electronic invoicing and three-way matching
 - improved management information
- 2.7 The first phase of the project was to introduce 3-way matching through exporting invoices from Pecos to E-Financials. This is an automated process and removes the need for personnel to manually match invoices against purchase orders and goods receipts. Manual intervention is only required if the invoice is not a match. Deploying this automated process enables the Council to address the “high” priority recommendation recently identified by Internal Audit.
- 2.8 To ensure the success of Phase One it was agreed that authorisation levels would be reviewed council wide, and a robust training programme designed and delivered to all requisitioners and approvers to ensure they had full knowledge and understanding of the re-designed process and new P2P model. This training module will continue to be used for any new Pecos users and as refresher training.
- 2.9 This, first phase of the project, has taken longer than planned due to reliance on our external partners, Elcom and Integrella, who were required to assist with the development and implementation of the revised P2P process. The issues that we experienced are now resolved and Phase 1, which saw the successful implementation of a new P2P model (including automated workflows), enhanced system controls and improved compliance went live in August 2024.

P2P - Next steps

- 2.10 The second phase of the P2P project will commence in September 2024 with a focus on introducing electronic invoicing (e-invoicing). E-invoicing is an electronic process that helps the exchange of information between the council and suppliers. It allows invoices and related documents to be issued, received, and reconciled electronically through a secure channel.
- 2.11 E-invoicing replaces paper-based, manual processes, and has benefits for both buyers and suppliers. This approach will:
 - Reduce costs by removing the need to scan, store and manually retrieve invoices.
 - Provide greater accuracy and efficiency due to straight-through processing of invoice data into the finance system.
 - Provide faster processing and payment cycles, as the solution bypasses aspects of manual processing.
 - Allow greater visibility and transparency.
 - Ensure compliance with legislation on electronic invoicing in public procurement.
 - Help reduce the council’s carbon footprint by removing printing, posting, sorting, and destroying of paper.
- 2.12 The Scottish Government is offering e-invoicing capability through the national purchase-

to-pay (P2P) platform, Pecos, which is available to all Scottish Public Bodies. The overall cost (other than any interfaces that may be needed between Pecos and Finance systems) is currently being funded by the Scottish Government.

- 2.13 The council will work in partnership with the Scottish Government to understand our supplier need and demand data and support with supplier engagement, preparation and set up. Three of our high-volume suppliers, who have indicated they wish to move to e-invoicing, will be selected.
- 2.14 Once the first three suppliers are successfully transferred onto e-invoicing, the same process will be followed in blocks of five for our other suppliers. This approach is mandated by the Scottish Government.

Change management

- 2.15 Following approval of the new Programme of Work to 2028 in March 2023, a portfolio approach was implemented in respect of its supporting governance and project management arrangements to ensure that the investment and transformational programmes and projects to be delivered are well-directed, executed to time, cost, and quality targets, and provide the expected benefits and improved outcomes locally.
- 2.16 The new Programme of Work to 2028 brought with it a need to ensure a more targeted approach to what The Plan for North Lanarkshire aims to achieve and a more dedicated focus on improvement, change, and delivering services that improve the lives of local people. Change therefore needs to play an integral part in the delivery of the Programme of Work, whether it is change to reduce costs or change to radically alter one approach to fund investment in another (e.g. prevention), business change to improve productivity, service redesign to achieve more for less, or continuous improvement to secure Best Value in terms of a more efficient, effective, economic, or sustainable way of working, change will become an even more prevalent aspect in terms of the way the council operates.
- 2.17 As project management (with its focus on the organisational aspect of change) and change management (with its focus on the people aspect of change) naturally have complementary processes with the same basic underlying aim - to ensure the long-term success of a programme / project (and its impact) - the council's overall approach to the changes required in delivering the Programme of Work therefore needs to sit side by side with the Project Management Framework. This is critical to secure a one council approach to change through a structured framework that allows for flexibility based on what each unique project ultimately aims to achieve, due consideration of how one Programme of Work change initiative impacts on another, and management of the change (and its impact on people) throughout the lifecycle of the initiative.
- 2.18 To support the development of a corporate one council approach to change the short life group of service representatives (established to support this development) agreed this should be a Toolkit that was integrated within the Project Management Framework. This was considered important given the intrinsic links between project management and change management and their complementary processes which have the same basic underlying aim.
- 2.19 The key findings from a poll and self-evaluation with both the short-life group and Operational Management Team informed the next steps development for the Change Management Toolkit to ensure that the approach implemented was appropriately informed by evidence. Subsequent development sessions with the group further shaped how the Change Management Toolkit should operate in practice, i.e. as a self-service mechanism, and dynamic online resource (not a static document) so that it was able to evolve along

with new practices, new learning, and learning from experience as progress was made in delivering the Programme of Work.

2.20 The Project Management Framework underwent a significant review and refresh process prior to being launched council wide in December 2022 and a high-level overview of the Change Management Toolkit has now been incorporated into a further refresh in 2024. This allows for the Toolkit itself to be a dynamic online resource that will be available through InsideNL and other M365 tools. Moving forward operation of the Toolkit will be underpinned by five operational principles:

- The aim of the Toolkit is to provide ideas, insights, lines of thought, and a range of tools to help those leading, managing, implementing change to do so within the context of their own situation, service, function, project, or team undergoing the change and within the context of the outcome / end result that the change ultimately aims to achieve.
- The Toolkit will set out a range of Tools and Techniques which can be picked up and used as and when needed depending on what the requirements of the change initiative (and the people managing the change) are.
- The contents of the Toolkit should be able to provide people managing / implementing a change with the reassurance that they are following tried and tested methods and guidance.
- There will be several ways to get into the Change Management Toolkit - where to start will depend on what question needs to be answered. This then will provide a pathway into the corresponding Tools and Techniques on InsideNL where more specific guidance, tools, case studies, and practical examples can be found.
- New pathways to Tools and Techniques will be added when new questions are raised about how to implement change successfully. To ensure that all Tools and Techniques in the Toolkit are fit for purpose and appropriately reflect what the council aims to achieve in respect of The Plan for North Lanarkshire a check-in process will be in place to provide a simple mechanism to ensure the council's approach to Change Management remains current, relevant, and deliverable, and remains aligned to existing policies and procedures taking account of the evolution of change management as delivery of the Programme of Work to 2028 progresses.

2.21 With responsibility for the Change Management Toolkit through the Programme of Work Delivery Plan, the Digital North Lanarkshire Strategic Board will maintain oversight of a supporting check in process to ensure that all Tools and Techniques in the Toolkit are fit for purpose and appropriately reflect what the council aims to achieve in respect of The Plan for North Lanarkshire and Programme of Work and the council's approach to change management remains current, relevant, and deliverable. As such, the updated Project Management Framework was presented to the meeting of the Digital North Lanarkshire Board in August 2024 where the detail therein in respect of the online Change Management Toolkit was approved for implementation.

2.22 A programme of communication is currently under development to ensure that the updated Project Management Framework (and the integrated approach to change available through the Change Management Toolkit) is cascaded across the organisation and through the appropriate bodies, i.e. the Operational Management Team and the Programme of Work Boards. This includes a lite touch review of the Project Management Framework training supports and materials on LearnNL (which includes the framework broken down into bit sized chunks and videos) to ensure that change and project management continue to go hand in hand to support the council in delivering the Programme of Work to 2028 and realising the vision set out in The Plan for North Lanarkshire.

Move to Paperless Office - Corporate Scanning

- 2.23 Following on from the original DigitalNL programme, and identification of significant volumes of paper-based records in existence across the authority (currently estimated at over 15million physical single A4 or A3 sheets of paper across the organisation), the Digital North Lanarkshire Programme of Work has a task to establish a call-off service with a third-party provider of media scanning based services. While the council have had specific need contracts in the past the current requirement is large and is intended to provide a solution that ensures ongoing data compliance and best value for the council.
- 2.24 Council policies and decisions in respect of office estate consolidation, hybrid working, and mobile working to name a few further emphasise the importance of having records digitally available and retained physically only where there is a legal, historic or residual value reason to do so.
- 2.25 To facilitate our transition to a paperless office environment, the Council will procure a three-year "scanning" contract. The procurement process has recently kicked off with completion of the Procurement Engagement Document, and a contract commencement date of October 2024 targeted. The most effective route to market is Crown Commercial Services RM6175 Records Management Information Framework, with a maximum value of £0.475m currently envisaged.
- 2.26 Once procurement is complete and appropriate contract awarded and in place, service areas will be able to call off volumes of scanning requirement as and when required.

3. Measures of success

- 3.1 The successful implementation of the streamlined P2P process will enable electronic invoicing, reduce the number of paper-based processes, introduce standardised processes by maximising the use of technology and free up staff time and resources.
- 3.2 Further success will be evidenced through an improvement in our Payment performance statistics (which are measured nationally on an annual basis). The measurement is percentage of invoices sampled that were paid within 30 days from the date the invoice is received. The last set of results show the council's performance to be 76%, compared to a family group average of similar councils of 89.8% and a national average of 90.6%.
- 3.3 The use of the tools and techniques within the change management toolkit bringing sustainable service redesign and change across the organisation.
- 3.4 Utilisation of the corporate scanning project as a first step in the move to a paperless office.

4. Supporting documentation

Appendix 1 – Digital North Lanarkshire 2024 Reporting Schedule (Extract)



Katrina M Hassell
Chief Officer (Business and Digital)

5. Impacts

5.1	<p>Public Sector Equality Duty and Fairer Scotland Duty</p> <p>Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
5.2	<p>Financial impact</p> <p>Does the report contain any financial impacts?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, have all relevant financial impacts been discussed and agreed with Finance?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>The project will be funded via a mix of capital and revenue funding. Circa. £0.100m is presently available within the Digitisation and Innovation theme of the Chief Executive's capital budget to support services with their early 2024-25 transitions to a paperless office environment. Digitisation requirements will remain throughout the three-year period, with services required to meet any future costs associated with this, and any subsequent, call-off contract, from their existing revenue budgets.</p>
5.3	<p>HR policy impact</p> <p>Does the report contain any HR policy or procedure impacts?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, have all relevant HR impacts been discussed and agreed with People Resources?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.4	<p>Legal impact</p> <p>Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.5	<p>Data protection impact</p> <p>Does the report / project / practice contain or involve the processing of personal data?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, is the processing of this personal data likely to result in a high risk to the data subject?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

5.6	<p>Technology / Digital impact</p> <p>Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>The introduction of e-invoicing will deliver transformational change council wide by enabling the re-design of the Purchase to Pay system and making use of new technology.</p> <p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
5.7	<p>Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.8	<p>Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.9	<p>Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p> <p>Progressing the P2P project as outlined enables the Council to improve its Creditors Regularly control framework. This considered alongside the Paperless Office project also provide scope to reduce the residual risk of the Information Governance and Information Security Corporate Risk, presently assessed as high through its score of 20 (almost certain likelihood (5), and major impact (4)).</p> <p>Effective identification and management of risk is considered critical to the success of this programme, with all required processes strictly followed, and all high-level risks and issues regularly reported to the PoW Delivery Board.</p>
5.10	<p>Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes ☐ No ☐

Digital North Lanarkshire 2024/25 Reporting Schedule									
	Deliverables (approved at Policy and Strategy in September 2023)	Projects / Activities (and Milestones where applicable and relevant)	Cycle 1 2024	Cycle 2 2024	Cycle 3 2024	Cycle 4 2024	Committee	Date Submitted/Planned	Hyperlink
Improved customer experience	Ensure a connected / integrated digital experience to facilitate users to transition to efficient digital and hub-based services and become empowered to be self-managing and digitally active.	Implement a chat bot functionality to enable residents to receive automated responses or to chat to an advisor.	Y				Finance and Resources Committee	28/02/2024	Contract award for unified communications solution
Digital first operations	Ensure useful, secure, compliant, and digital first applications are available to support critical but streamlined service delivery.	Review current telephony systems and implement a new cloud-based Microsoft Teams integrated solution, incorporating virtual voice and digital assistant functionality.	Y				Finance and Resources Committee	28/02/2024	Contract Award for Unified Communications Solution
Digital first operations	Facilitate fibre-enabled innovation to maximise the full potential of Internet of Things (IoT) and Artificial Intelligence (AI) technologies in service delivery.	Implement the procured Wide Area Network solution and associated technical functionality, such as internet breakout services and continued development and deployment of fibre across North Lanarkshire.	Y				Finance and Resources Committee	28/02/2024	Connectivity Framework - Operational Review
Digital first operations	Ensure useful, secure, compliant, and digital first applications are available to support critical but streamlined service delivery.	Review asset management practices across the organisation, including categorising and consolidating system usage.			Y		Finance and Resources Committee		
Digital culture, leadership, and knowledge	Develop and deploy a self-adapting redesign framework to accelerate digital business transformation of critical council functions.	Set up short life change management group to provide expertise, skills, and knowledge of change across the council and North Lanarkshire in order to develop a toolkit to sit beside the project management framework.			Y		Finance and Resources Committee		
		Undertake self-assessment to look at the re-design pieces and feedback reviewed by change management group.			Y		Finance and Resources Committee		
Improved customer experience	Ensure a connected / integrated digital experience to facilitate users to transition to efficient digital and hub-based services and become empowered to be self-managing and digitally active.	Redesign the council's purchase to pay system to introduce a standardised approach and enable electronic invoicing.			Y		Finance and Resources Committee		
Digital first operations	Ensure single source of data to provide insights and evidence that support decision making and service planning.	Develop and implement a method for services to transition from using paper-based storage to a digital solution for retaining appropriate council information.			Y		Finance and Resources Committee		
Digital culture, leadership, and knowledge	Create a mature and sustainable culture across the organisation to ensure that digitisation of council services provided to the public successfully transition them to achieve the outcomes specified within The Plan for North Lanarkshire.	Conduct management and technology research to understand current and future state digital culture for the organisation.				Y	Finance and Resources Committee		
		Understand the five steps to change in preparation for digital maturity assessment.				Y	Finance and Resources Committee		
		Undertake digital maturity assessment with digital culture, leadership, and knowledge activity group.				Y	Finance and Resources Committee		
		Share Health and Social Care digital maturity data with the digital culture, leadership, and knowledge activity group to inform the council's digital maturity assessment.				Y	Finance and Resources Committee		
		Consider wider staff survey as a follow-up to the digital skills survey from November 2021 in order to gauge the extent of staff skills and gaps.				Y	Finance and Resources Committee		
Digital culture, leadership, and knowledge	Develop digital leaders to facilitate behavioural change required to enable service transformation within existing resources.	Review research and current thinking into digital champions / leaders to understand the skills required for a digital leader in order to build and lead teams, keep people connected and engaged, and drive a culture of innovation, learning, and continuous improvement and review leadership development programmes to incorporate digital capabilities, including cognitive transformation (thinking differently), behavioural transformation (acting differently), and emotional transformation (reacting differently).				Y	Finance and Resources Committee		
		Develop digital leadership core competency guide based on the research results and linked to service requirements.				Y	Finance and Resources Committee		
Digital first operations	Facilitate fibre-enabled innovation to maximise the full potential of Internet of Things (IoT) and Artificial Intelligence (AI) technologies in service delivery.	Identify opportunities to use the Internet of Things technology and establish a framework for use, including an adequate governance model.				Y	Finance and Resources Committee		
Performance optimisation	Develop an efficient digital and IT cost model to ensure scarce financial resources are aligned to vital enabling technologies.	Develop and deploy structures and processes that aid the identification and development of operational innovation and that facilitates beneficial service transformation.				Y	Finance and Resources Committee		

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☐ Yes ☒ No

Ref JMcK-TD

Date

11/09/24

Enterprise Asset Management Systems Update – September 2024

From James McKinstry, Chief Officer (Asset & Procurement Solutions)

E-mail McKinstryJ@northlan.gov.uk

Telephone Contact Via Teams

Executive Summary

The Corporate Asset Management Plan (2021–2026) considers asset management over the whole authority with key objectives aligning with the visions and ambitions of The Plan for North Lanarkshire, rationalising the Council's asset base to better meet the current and future business needs and carrying out tactical improvements to retained assets. Information Technology assets (hardware and software), in the form of business systems form a core part of managing and delivering on these objectives.

Following a review of asset management systems used across the Council, the Brighton Confirm Enterprise Asset Management (EAM) system was assigned strategic status at a special EAGG meeting in December 2022 with the aim of consolidating as many assets on to this single solution as possible and reducing the number of business systems used across the Council to manage assets.

The Environment & Climate Change committee of 21st August 2024 approved the procurement of a new 12-year (8+2+2) contract to match the length for the Roads & Infrastructure Enterprise Contract to satisfy this strategic requirement with user numbers of 550 presently estimated.

To gain the maximum benefit from this strategic enterprise asset management solution, this product is a key component of the Digital North Lanarkshire Programme of Work deliverable to 'ensure useful, secure, compliant and digital first applications are available to support critical but streamlined service delivery'.

There is also a requirement to establish a user group, develop the Terms of Reference, develop a strategy, and complete a review of asset management systems in use across the council.

The Enterprise Asset Management user group is expected to report to the Transforming Places Programme of Work board.

A review of the current support model is required and should be completed with the aim of ensuring that support and development for existing and future assets is appropriate.

Recommendations

It is recommended that the Finance and resources Committee:

- (1) Acknowledge the content of the report providing an update on progress made in developing an enterprise asset management approach and roadmap.
- (2) Support the use of the Brightly Confirm solution as the Council's strategic Enterprise Asset Management (EAM) solution.
- (3) Acknowledge the creation of an enterprise asset management user group with appropriate service representation providing governance on the use of line of business systems to manage Council assets, to develop a roadmap to consolidate systems used to manage assets and to monitor and advise on system usage and development.
- (4) Support the Council's Strategic Asset Manager as the lead officer for asset management across the Council.
- (5) Acknowledge that Fleet Management and Business & Digital will review systems presently used to manage their respective service assets as part of the process to renew or replace the current systems, Freeway Fleet Management (Fleet assets) and Service Now (IT assets).

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(22) Facilitate a North Lanarkshire wide approach to asset rationalisation, including with communities and partners
Programme of Work	Digital North Lanarkshire

1. Background

- 1.1 The Corporate Asset Management Plan (2021–2026) covers assets over a breadth of functions including office, communities (culture and centres), leisure, education facilities, support, depots and corporate properties with key objectives that include working towards the visions and ambitions of The Plan for North Lanarkshire, rationalising the Council's asset base to better meet the current and future business needs and carrying out tactical improvements to retained assets. Technology assets (hardware and software), specifically business systems form a core part of managing and delivering on these objectives.
- 1.2 Management of assets is required across almost all Council functions, and to assist with the management of this crucial function, services make use of a number of line of business asset management systems to record key asset information and to assist with managing asset lifecycle activities from planning (capital), acquisition, operation & maintenance (including repairs) through to final disposal.
- 1.3 A five (5) year [Corporate Asset Management Plan](#) was published in 2021 and includes the objective of asset rationalisation. Multiple line of business systems are used to manage the Council's assets across multiple services. In most cases these systems are managed by services to deliver a service functionality. It has been recognised that business system consolidation has the potential to deliver savings and improve digital operations.

- 1.4 The consolidation and rationalisation of line of business systems was a key element within the original Digital NL business case developed in 2019. This continues to be considered as contracts come to an end and remains a key target for the Digital North Lanarkshire Programme of Work in support of The Plan for North Lanarkshire.
- 1.5 A review of asset management systems in use across the Council was completed in 2022 as part of the contract renewal process for the Brightly Confirm asset management system used to manage Land and Waste assets since 1999.
- 1.6 The Confirm system was initially implemented as a single service solution but through continued investment and re-use across other service areas the product has developed into a modern Enterprise Asset Management (EAM) solution with the ability to support differing asset types from acquisition and implementation, operation and maintenance (including repairs) through to final disposal (including recycling or selling).
- 1.7 On 14th December 2022 at a special Enterprise Architecture Governance Group (EAGG) meeting, the Confirm EAM system was assigned strategic status and approval was given to proceed with the procurement of a long-term contract to match the Roads and Infrastructure enterprise contract length.
- 1.8 The EAGG provided approval for Confirm to be used formally as an enterprise asset management solution where practical and possible. The EAGG also supported the formation of an asset management user group to assist in the development of an Enterprise Asset Management strategy, to support the move of assets from existing systems to a single asset management solution.
- 1.9 The EAGG also noted that the procurement of a new housing management solution is underway and there is potential to explore any unique aspect of proposed solutions that may be beneficial to incorporate an asset management aspect.
- 1.10 The aim of the enterprise asset management user group is to develop a strategy, compile a backlog of work, source funding, complete a review of other (related) business systems and investigate the practicalities of a single dedicated asset management team, providing recommendations when able.

2. Report

Confirm as an Enterprise Asset Management Solution

- 2.1 Confirm was originally procured from South Bank Systems in 1999, now operated by Brightly Software, part of the Siemens group. There has been considerable development in the system capabilities over the last few years, which has resulted in the system being recognised as a market leading enterprise asset management solution.
- 2.2 Initially Confirm was used to manage Grounds Maintenance - soft and hard landscape assets including grass, footpaths, and street litter bins. Subsequently other assets have transitioned to the system including cemetery headstones, trees, play areas including equipment and domestic bins. The system also manages complaints and enquiries in relation to these assets through an integration to the Council's dynamics CRM system.

- 2.3 In 2023 the Roads Management Team transferred asset management from the Roads Management System (RMS) to Confirm including roads, lighting, structures, and parks with the work due to be completed by 30 September 2024.
- 2.4 Throughout 2023 requirements were gathered from across Council services on asset types and volumes and incorporated into a procurement of a long-term contract using the Scottish Government's Software Value Added Reseller (SVAR) procurement framework. The proposed contract term was matched to the Roads and Infrastructure Enterprise contract to promote continuity of systems use.
- 2.5 The Environment & Climate Change committee of 21st August 2024 approved the procurement of a 12-year (8 +2 +2) contract to match the contract length for the Roads & Infrastructure Enterprise Contract based on a maximum of 550 system users presently estimated.
- 2.6 Included in the costs of the new contract is the move to a Software as a Service system in line with the Council's Enterprise Architecture principles of Cloud First.

Housing Services Asset Management System

- 2.7 Following the agreement at the EAGG in December 2022 to approve the procurement of a new Housing Management system the project team have completed their system requirements gathering and aim to complete the procurement process by the end of September 2024, with migration taking 24-26 months.

Enterprise Asset Management User Group

- 2.8 As agreed at the special EAGG in December 2022 there is a requirement to formally establish a user group to oversee Enterprise Asset Management across the Council and to provide direction and governance on the use of enterprise asset management and line of business systems.
- 2.9 The user group will consist of service representatives who currently manage existing service assets and the systems used to manage those assets.
- 2.10 The EAM user group will be expected to:
- Develop and agree a Terms of Reference (TOR) for the user group that will confirm membership, objectives and governance reporting structure – specifically what programme of work board the group will report to.
 - Develop a strategy and model for system use, integrations, data flow and automating tasks and activities where possible. A draft model is provided in Appendix 1.
 - Complete a detailed review of existing asset management systems with the aim of determining the suitability for the assets and required functionality to be transitioned over to Confirm.
 - Develop a backlog of work listing assets to be transitioned to confirm in priority order with those offering the highest value transitioned first. This should include the expected review of existing solutions where contracts are due to expire in the next 3-5 years.
 - Source funding to support additional internal resource (and skills) to support the ongoing transition of Council assets to the Confirm system.
- 2.11 It is expected that the EAM user group will be chaired by the Council's Strategic Asset Manager, or someone nominated by the manager.

Confirm System Support

- 2.12 The Confirm Enterprise Asset Management system is supported primarily within the Council by a specialist team based in the Roads and Land Service. As well as day to day operational support for the system the team has the capability to develop and configure the system for new assets. There is support as required provided by the technical teams within Business & Digital.
- 2.13 As more assets are transitioned to Confirm, the demands on the current team will grow and as such a key task for the EAM User Group will be to monitor capacity and develop a roadmap for system use and development. This is likely to include roles such as development, operation and business change.

Next Steps

- 2.14 Establish an Enterprise Asset Management user group to drive forward the consolidation of assets, both physical and technology (system) related.
- 2.15 Develop a terms of reference, strategy, roadmap, and priority list of assets to be transitioned to Confirm for management.
- 2.16 Empower the user group to complete a review of existing asset management solutions to determine the work involved in transitioning these assets.
- 2.17 Review the existing Confirm system support structure to determine the most appropriate model to provide current and future resource.

3. Measures of success

- 3.1 It is expected that there will be a reduction in the number of systems used to manage Council assets thus simplifying the Council's enterprise architecture.
- 3.2 There are potential savings when line of business systems are consolidated. Revenue savings when decommissioning any system will be measured against the cost of additional licenses if transitioning to using the Confirm EAM system.
- 3.3 There is the potential to free staff resource as asset management practices and processes are streamlined and automated by an enterprise asset management solution integrated to other line of business systems.

4. Supporting documentation

- 4.1 [Corporate Asset Management Plan](#) (2021 – 2026)

Appendix 1 – Enterprise Asset Management Model (Draft)



James McKinstry
Chief Officer (Assets & Procurement Solutions)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? A 12-year (8+2+2) contract for the Brightly Confirm Enterprise Asset Management System is based on a maximum of 550 system users with a maximum cost of £6.049 million. This contract term was awarded to match the length of the Roads & Infrastructure Enterprise Contract. The contract award was approved at the Environment & Climate Change committee on 21 st August 2024.
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>

<p>5.6</p>	<p>Technology / Digital impact</p> <p>Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>Using the Brightly Confirm system as an Enterprise Asset Management solution has been approved after completing the EAGG approvals process and has been assigned strategic system status.</p> <p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p>
<p>5.7</p>	<p>Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.8</p>	<p>Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.9</p>	<p>Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p> <p>There is a risk that services continue to use existing systems while working using a silo approach thus meaning that any potential cost and staff savings are not achieved. With no single owner or governance of systems used to manage assets it means that service-based users may be able to continue using outdated systems, practices and processes.</p> <p>This corporate risk will be documented and managed by the Enterprise Asset Management user group. (To be established).</p>
<p>5.10</p>	<p>Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

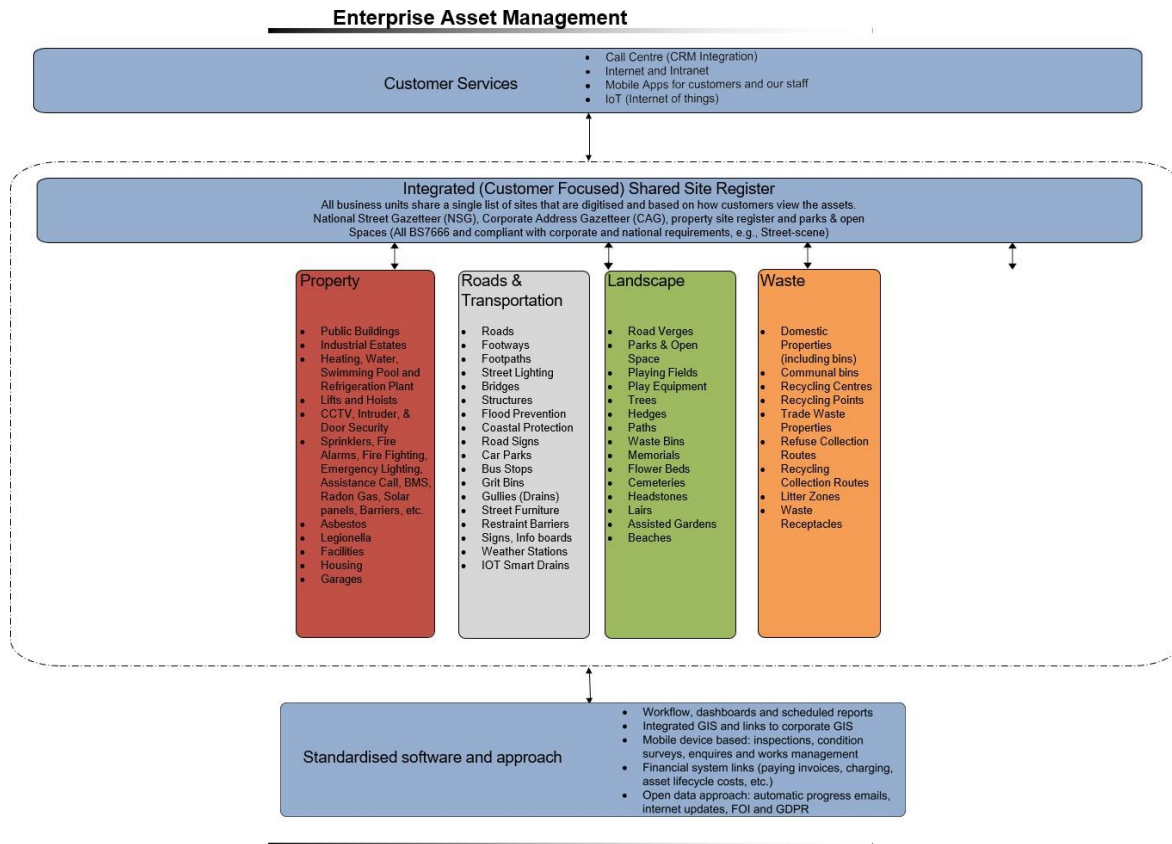
Yes ☐ No ☒

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes ☐ No ☐

Appendix 1 - Enterprise Asset Management Model (Draft)



North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☒ Yes ☐ No

Ref KH/SL

Date

11/09/24

Strategic Performance Framework - latest performance results for Business and Digital

From Katrina Hassell Chief Officer (Business and Digital)

E-mail HassellK@northlan.gov.uk

Telephone 07903 096 121

Executive Summary

Business and Digital comprises two areas of activity that work corporately across the council:

- Technology Strategy Solutions, who are responsible for the live delivery and operational management of technology solutions required to support services and schools in delivering front line day to day operations and in progressing activities which facilitate delivery of the council's strategic place-based ambition. A key aspect of this area of activity is also the development of the technology estate, its solutions, and integrations with third party suppliers.
- Business Strategy, who are responsible for driving business change, improvement, and service redesign in order to provide efficient and effective services in line with the council's, and the North Lanarkshire Partnership's, strategic aims and plans. This area of activity also includes measuring success against The Plan for North Lanarkshire and ensuring the established frameworks and supporting governance remains relevant and up to date.

Business and Digital maintains a range of performance indicators which are monitored in various ways, including subject matter specific monthly review meetings as well as quarterly business management meeting discussions. These meetings make use of the evidence base provided by the performance results to inform discussions around the best use of resources and decide priorities in this respect, as well as to highlight areas requiring further examination and/or improvement.

For strategic overview and scrutiny purposes, this report provides Members of the Finance and Resources Committee with an update of the latest results for the suite of performance indicators used by Business and Digital to inform service delivery and underpin operational decisions. This report is presented in line with the Finance and Resources Committee's role to monitor the performance of all services within the remit of the Committee (as per the terms of reference in the Scheme of Administration, October 2022).

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Review the high-level performance overview presented in Appendix 1, and the

supporting data contained within the linked Excel spreadsheet and identify where further information is required to understand or investigate performance further.

The Plan for North Lanarkshire

Priority	All priorities
Ambition statement	All ambition statements
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 There are six inter-related strategic frameworks which are key to assessing the success of The Plan for North Lanarkshire and monitoring delivery towards achieving the overall vision by ensuring each stage is appropriately aligned, planned, guided, implemented, monitored, and governed.
- 1.2 The six frameworks focus on ensuring a corporate one council approach in respect of Policy, Governance, Performance, Self-Evaluation, Project Management, and Demonstrating Improved Outcomes for Communities.
- 1.3 The Strategic Performance Framework comprises performance measurement at three levels (as per the diagram on the right). This aims to collectively provide an overview of performance to help understand the impact of council activities on improving services and outcomes for the people and communities of North Lanarkshire. The measures in this Framework allow for day-to-day activities, and progress towards achieving the long-term vision set out in The Plan for North Lanarkshire, to be regularly monitored, reported, assessed, and scrutinised.
- 1.4 The Strategic Performance Framework is aligned to the Accounts Commission *Statutory Direction* which places a requirement on councils to report a range of information in terms of (1) improving local services and outcomes, and (2) demonstrating Best Value. Key points of note in this respect are that the Accounts Commission also expect to see:
 - (a) A balance in terms of reporting that captures highlights of good performance as well as areas of performance requiring further examination and/or improvement.
 - (b) Reporting that is undertaken in a timely manner.
 - (c) Easy access to performance information for all citizens and communities.
 - (d) Comparisons of performance (i) over time (e.g. compared to previous years), and (ii) with others (e.g. other local authorities or the national average (where available and appropriate)).
- 1.5 A Performance Reporting Schedule supports the timely submission of a range of performance information to ensure fully informed review, reporting, scrutiny, and decision-making processes by Elected Members and senior management. This Schedule, endorsed by the Audit and Scrutiny Panel in February 2024, includes Chief Officer's individual Performance Reviews at Service Committees in line with the Strategic Performance Framework.
- 1.6 This report therefore presents the Finance and Resources Committee with the latest performance results for Business and Digital for Members' further review and scrutiny.



2. Strategic Performance Framework

Finance and Resources Committee responsibilities

- 2.1 In line with the terms of reference outlined in the Scheme of Administration, the Finance and Resources Committee is responsible for monitoring and reviewing performance information for the following Ambition Statements from The Plan for North Lanarkshire:

18. Ensure our digital transformation is responsive to all people's needs and enables access to the services they need.
24. Review and design services around people, communities, and shared resources.
25. Ensure intelligent use of data and information to support fully evidence-based decision making and future planning.

- 2.2 The high-level performance overview in Appendix 1 presents Members with a summary of the latest results for each performance indicator within the remit of the Chief Officer (Business and Digital).

- 2.3 The information in Appendix 1 comprises the following:

- An *ideal direction* arrow - this indicates whether a higher or lower figure is the preferred direction of travel.

<input type="checkbox"/>	A higher figure is better
<input type="checkbox"/>	A lower figure is better

- *Measurement unit* - for example whether the result is a %, a number, a unit cost (in £), or a ratio.
- *Performance results* for the most recent financial years (depending on availability of data) along with the latest year's target and corresponding RAG status (for indicators where it is appropriate to set targets).

Key to RAG status	
Green	Performance is on target and/or within acceptable thresholds
Red	Performance does not meet target and is outwith acceptable thresholds
Blue	Performance surpasses the target and exceeds expectations

- The most *recent monthly or quarterly results*, along with the corresponding target and RAG status. Note the inclusion of this information is dependent on the measurement frequency of the indicator and availability of data as at the time of reporting.
 - A *trend graph* - this captures the direction of travel achieved over the years and includes the most recent monthly or quarterly results where available and comparable.
 - *Comments* - narrative summarising the current position and providing an explanation for any significant variations in performance. Where applicable, this narrative also highlights any internal or external factors impacting on service delivery as well as any residual effects of the pandemic, e.g. any increase or decrease in the volume of transactions or enquiries processed.
- 2.4 A large volume of data supports the high-level performance overview in Appendix 1. This is outlined in the **latest performance results for Business and Digital** Excel spreadsheet which is available through the following link for Members to carry out a deep dive and review and scrutinise each performance indicator further. The *Menu* on

the second tab of the spreadsheet contains built in hyperlinks that automatically take the user to a tab for each performance indicator and therefore provides a useful navigation aid to review the contents of the file.

- [Latest performance results for Business and Digital.xlsx](#)

Current context

2.5 The service's operating environment has changed significantly in recent years and, as such, the performance information presented in Appendix 1 should be considered within the context of the following:

- Service specific advancements in terms of the procurement, and subsequent deployment and roll-out of revised Connectivity contracts and infrastructure.
- The end of the contract with Agilisys in April 2022 and the ensuing significantly reduced resource available from 2022/23 onwards.
- The development of the Business and Digital Integrated Programme Plan which aims to capture all areas of activity across the service and serve as a guide to support resource planning and operational delivery, as well as the relevant project management and governance controls.
- The changing structure required following approval to insource those services previously outsourced to Wipro (supplier of the ICT service delivery contract), the alignment of service provision following the insourcing of culture, sport, and leisure services (previously delivered through Culture and Leisure NL Limited), and the final steps in the integration of the schools' technician's service.
- The extent to which the service has supported the council in terms of responding to and recovering from the pandemic, while resuming business as usual activities at pace and delivering on the digital vision set out in the new Digital and IT Strategy for 2024 to 2027 approved at Policy and Strategy Committee in March 2024 (and the aligned Digital North Lanarkshire Programme of Work) for which further context is provided in paragraph 2.6 below.

2.6 Through the delivery of this Programme of Work, Business and Digital presently lead activities which focus on developing a skilled digital workforce, promoting an innovative sustainable culture, and providing digital leadership for an evolving North Lanarkshire. This means building on existing achievements and embedding digital thinking into everyday delivery, embracing digital technology to do business significantly differently, and always considering a digital-first approach. Business activities, and therefore our key performance metrics, focus primarily around availability, security and incident response, but such must also be considered against the requirement to undertake works which simultaneously facilitate the delivery of the Council's overarching Programme of Work priorities.

Recent performance highlights

2.7 According to the Ofcom Connected Nations update, 99% of properties in North Lanarkshire receive superfast broadband - the 4th highest of all 32 local authority areas in Scotland.

2.8 The Superfast broadband referenced by Ofcom, also known as Fibre to the Cabinet (FTTC), requires a combination of fibre and cable technology. Fibres go to the cabinet on the street, and from there, copper cables (as used in cable broadband) go to a house. This makes superfast broadband vastly more accessible, as the copper cables are mostly already installed to provide landlines. **Ofcom define superfast broadband as supporting download speeds of at least 30Mbit/s.** To put this in context, it has

around the same megabits per second as the 4G on a mobile phone. For streaming, only around 1.5mbps or 2.8 is needed for HD quality. Most everyday tasks only need a maximum of about 20mbps.

- 2.9 Fibre connectivity supports higher speeds than this but requires fibre optic cabling rather than the more readily available copper cables used in traditional networks. It is this type of connectivity – also called Fibre to the Premise (FTTP) - which the Council is targeting through the Connectivity Framework approved by committee in December 2021, to ultimately enhance fibre coverage across the North Lanarkshire area.
- 2.10 Although committees have received several detailed updates – summarised below - regarding connectivity in 2024, this report provides additional narrative to highlight the difference between the two connectivity measures contained within Appendix One.
- A report to the Communities Committee in February 2024 provided an update on the [delivery of the added value and community benefits](#) experienced to date within the connectivity contract.
 - A report to the Finance and Resources Committee in February 2024 provided an [update on the implementation and operational status](#) of the Connectivity Framework approved by committee in December 2021, and the performance of the approved provider Commsworld Ltd.
 - An [in-depth review of digital broadband](#) was also considered by the Audit and Scrutiny Panel in May 2024. This provided an up-to-date position in respect of a range of questions regarding the delivery of the connectivity contract, including the number of kilometres of fibre rolled out so far (which the report noted that Commsworld had installed c320km to date, their partners Netomnia have installed c406km, and Axione a small amount covering approx. 75% of the properties within Shotts town centre). This report also identified how many properties were covered by the fibre roll out so far, i.e. approx. 10k of properties have the availability and capacity to take up/access services from these providers. This is expected to be nearer 100k towards end of 2024.
- 2.11 Appendix One illustrates that full fibre connectivity / availability – or Fibre to the Premise (FTTP) - has increased to 32.6% across North Lanarkshire. This differs to FTTC in that fibres are delivered directly to a house or business premise (rather than to a cabinet on the street), making the connection much quicker. **This type of ultrafast broadband has download speeds of more than 300mbps.** 5G would come under this banner too, reaching up to 1gbps. This also means that if a house doesn't have a phone line, or if such stops working for some reason, then internet access will not be affected. Similarly, if a business or a household is accessing the internet a lot, and lots of people are trying to do lots of things at once, then ultrafast broadband is much quicker than superfast as it can handle more simultaneous uploads and downloads.

Areas of performance requiring improvement

- 2.12 The Business and Digital senior management team review of performance results in Appendix 1 highlighted three areas which required further examination and for which further work is underway to improve performance.
- **Data breaches** - While reporting on data breaches has improved across the council, reflecting improved understanding of process and responsibility, there is a clear increasing trend in respect of the volume of data breaches (as also noted in the corresponding Data Protection Officer's annual data protection report for 2023/24 on the agenda today). A proportion of data breaches can be attributed to e-mail misuse which are frequently due to simple mistakes, e.g. selecting the

wrong address using auto complete, sending an e-mail with an expanded distribution list instead of using the BCC option, e-mailing the wrong address with unrelated information, or e-mailing a personal address rather than a business address.

- As a recommendation from the Information Commissioners Office referred to removing the e-mail address autocomplete function Business and Digital are in the process of establishing a proof of concept for technology that uses rules and evolving pattern recognition to mitigate this risk. The product Egress Prevent has been chosen for a one-year proof of concept, monitoring outbound and internal e-mail traffic to alert users to potential data breaches and stop them before they happen. With increased use of digital services, this is expected to impact the volume of e-mail data breaches. It should be noted that there may be additional unnoticed data breaches and hence not reported, however Egress Prevent will equally provide benefit here.
- **Requests for the IT service desk being logged through the self-serve portal -** Performance in 2024/25 to date (as at June 2024) shows this indicator has improved but remains below the target (of 70%) at 61.4%. When broken down further this reflects a year-to-date position of 69% corporate and 39% schools.
- The use of the service desk portal remains strong within the council's corporate environment, and as more self-help functionality is developed this will become increasingly useful for staff. The chat functionality is in the process of being removed for a number of months to allow modernisation of the user interface and improve alignment with the HR Service Desk portal, with the intention to merge into a single employee portal in the future. Schools use of portal is less successful, partly due to culture and partly due to availability, however with all school areas now utilising dedicated individual accounts, this is expected to increase.
- **Service desk - % of all severity level 3 incidents resolved within target -** Previous reports to Finance and Resources Committee advised that this was an area of activity under ongoing review since the insourcing of Wipro when this indicator was changed to capture all severity level 3 tickets in order to provide a more complete picture of all incidents that require to be resourced by the service. This has increased the volume of incidents recorded within this indicator and required ongoing and closer analysis of demand in order to fully understand the asks of the service and manage these in a way that takes into consideration all the related component parts of the service to be delivered as well as improvements required in the longer term.
- While the rise of agile working, increased adoption of third party services, and vacancies in resolver groups increase the overall complexity of incident types and adversely impact overall resolution timeframes, (as frequently these involve interaction with both third parties and staff moving from differing environments), trends continue to show a long-term decline in performance (which reflects upon the increased stability of the estate and the device build in particular) and performance continues to remain below the stated target (i.e. performance in 2024/25 (as at June 2024) remains below the revised target (of 85%) at 73.3% with 1,619 out of 2,208 incidents resolved within target to date.
- While there is an understanding that aspects of this are due to how the system is being used rather than a true indication of performance, it is recognised that the metrics that are measured and the service levels applied are in general those determined by previous external providers over 10 years ago. They are therefore

now in scope for a full review. Research is underway via industry bodies and peers in terms of what metrics are being measured and their purpose and usefulness and intend to report back with recommendations that demonstrably align to organisational need and ambition.

Next steps

- 2.13 As noted in paragraph 1.5, the Strategic Performance Framework is supported by a Performance Reporting Schedule. This sets out the arrangements for service, statutory, and Strategic Performance Framework reporting to committee. In this respect the relevant Committee can expect to receive the following in respect of Business and Digital areas of work for 2024 to 2025.

Report	Description	Committee	Committee cycle
Senior Information Risk Owner (SIRO) annual report	This report provides an update relating to the responsibilities of North Lanarkshire Council's Senior Information Risk Owner (SIRO) and outlines activity and performance related to information governance. It provides assurances that information risks are being effectively managed, what is going well, and where improvements can be made. It complements the data protection annual report by the council's Data Protection Officer (DPO). • Latest report in February 2024: link to report	Finance and Resources Committee	Cycle 1 in 2025
North Lanarkshire Community Planning Partnership - annual report	The Community Empowerment (Scotland) Act 2015 introduced a range of new requirements on local authorities and community planning partners to empower and strengthen community involvement in the design, planning, and delivery of local services. The statutory duty of community planning requires all public sector agencies to work collaboratively in agreeing both strategic and local priorities for their areas to improve outcomes and address poverty and inequalities. Community Planning Partnerships must also annually review and report on their progress. • Latest report in February 2024: link to report	Communities Committee	Cycle 1 in 2025
Arm's Length External Organisations (ALEOs): Governance and Risk Management oversight and assurance report	The council's arm's length external organisations (ALEOs) undergo ongoing monitoring to ensure best value. A regular reporting process is in place to provide the Audit and Scrutiny Panel with oversight and assurance of governance, financial governance, and risk management arrangements within each ALEO. • Latest report in February 2024: link to report	Audit and Scrutiny Panel	Cycle 1 in 2025
Performance in handling complaints	The Scottish Public Services Ombudsman Act 2002 provides the legislative basis for the Scottish Public Services Ombudsman (SPSO) to publish Model Complaints Handling Procedures for bodies under its jurisdiction. Since it was implemented in 2013, the council has implemented the Local Authority Model Complaints Handling Procedure (CHP). The council also manages and reports performance in terms of complaints handling in order to fulfil the requirements of good governance. • Latest report in February 2024: link to report	Audit and Scrutiny Panel	Cycle 4 of 2024

3. Measures of success

3.1 Measures of success include:

- Regular oversight and monitoring of performance across the organisation to gain assurances in terms of governance and accountability.
- Regular review and challenge processes to scrutinise the performance of the council to ensure effective use of resources and that resources are directed in accordance with agreed policy and according to priorities, while ensuring sound decision making and clear accountability for the use of resources in achieving improved outcomes for service users and the local community.
- Performance monitoring, management, and reporting arrangements that support the demonstration of improved performance in local services and outcomes, and the delivery of Best Value.

4. Supporting documentation

Appendix 1 - High-level performance overview



Katrina Hassell
Chief Officer (Business and Digital)


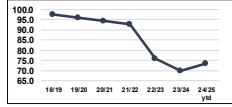
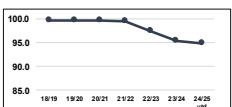
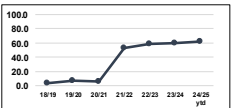
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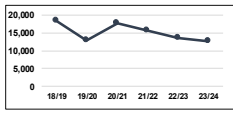
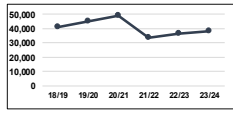
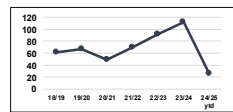
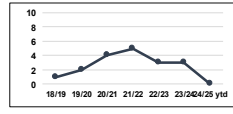
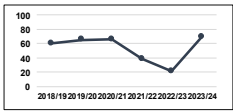
5.1	Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2	Financial impact Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.3	HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4	Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5	Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>
5.6	Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? Several of the measures detailed within Appendix One are focused on these implications. Paragraph 2.7 of the report updates specifically on the delivery of the council's world class digital infrastructure, and our plans to enhance fibre coverage across the North Lanarkshire area.

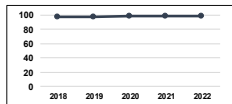
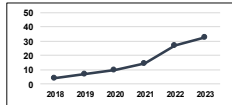
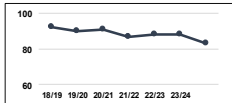
	<p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
5.7	<p>Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.8	<p>Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.9	<p>Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p> <p>The implementation of the Strategic Performance Framework, and Member's scrutiny of individual services therein, contributes towards the mitigation of the risks on the Corporate Risk Register for <i>Governance, Leadership, and Decision Making</i>.</p>
5.10	<p>Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
5.11	<p>Children's rights and wellbeing impact</p> <p>Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

Business and Digital

High-level performance overview - as at July 2024

Indicator	id	ideal direction	unit of measurement	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2023/24 target	2023/24 RAG status	2024/25 ytd (for monthly or quarterly monitored indicators only)	2024/25 ytd target	2024/25 RAG status (for monthly or quarterly monitored indicators only)	trend	comments as at 19/01/24
IT systems - number of priority 1 outages	i082	lower figure is better	number	69	80	27	34	45	14	48	blue	2	12	blue		Latest performance as at the 2023/24 year end remains low (14 priority one outages) and below the target for the year (48). These latest results are the lowest level achieved across the recorded dataset. Following a review of the target (which was set in 2019) and considering the increasing age of the technology assets, the management team agreed to reduce the annual target from 60 each year in previous years to 48 in 2023/24 and 2024/25 (a decrease from 5 outages per month to 4). Priority one outages in 2024/25 (as at June 2024) continues to remain low at 2 to date.
Service desk - % of all Severity Level 3 incidents resolved within target	i083	higher figure is better	%	97.4	96.0	94.4	92.7	76.0	69.9	85.0	red	73.3	85.0	red		<p>Prior to April 2022 this measure related to the performance of the service delivery partner Wipro before insourcing. From April 2022, performance monitoring was expanded to capture all Severity Level 3 tickets in order to provide a more accurate picture of all incidents that require to be resourced across the whole of Business and Digital.</p> <p>This is reflected in the increase in the volume of incidents to be resolved which was 6,933 in 2020/21 to 7,941 in 2021/22 to 11,802 in 2022/23 and 10,539 in 2023/24.</p> <p>Performance against the target of 95% has been monitored since the insourcing and as it relates to the previous indicator measurement, the target has now been revised to 85% for 2023/24 and 2024/25 to be more reflective of the current trends and resourcing requirements.</p> <p>Performance in 2024/25 (as at June 2024) remains below the revised target at 73.3% with 1,619 out of 2,208 incidents resolved within target to date.</p>
Service desk calls - % respondents who replied to say they were satisfied with the service	i084	higher figure is better	%	99.6	99.6	99.6	99.4	97.3	95.3	95.0	green	94.8	95.0	green		<p>Customer satisfaction levels over the years have remained on a steady trend and above target.</p> <p>Prior to March 2022 a non response was counted as satisfied. After March 2022 only responses received (with a satisfied or dissatisfied response) are counted. This has significantly reduced the volume of responses recorded within this indicator by almost 90%, with responses now averaging less than 400 per month (compared to over 3,000 prior to March 2022); however it does mean a more accurate record of satisfaction. It is a low response rate however (on average less than 6%) considering the volume of service desk calls now recorded in the indicator above.</p> <p>Performance in 2024/25 to date (as at June 2024) remains around target at 94.8% for 949 satisfied responses received out of 1,001.</p>
Service desk - % tickets logged through the self-serve portal	i128	higher figure is better	%	3.5	6.8	6.2	53.0	58.4	59.5	70.0	red	61.4	70.0	red		<p>A new process was implemented in May 2021 to push all non-critical traffic down a self-serve digital channel. This indicator monitors the usage of that channel and thus the effectiveness of the digital transformation. 59.5% of all calls made in 2023/24 have been made through the portal, compared to 58.4% in 2022/23, 53% in 2021/22, and 6.2% at the 2020/21 year end.</p> <p>Usage of the portal has levelled out in recent months as the corporate estate is now fully enabled to utilise this functionality, thus impacting on the ability to further maximise usage of the portal.</p> <p>To continue to monitor usage of the portal by the corporate estate and ensure this is maximised, a target of 70% has been set for 2023/24 and 75% for 2024/25.</p> <p>Performance for 2023/24 (59.5%) was lower than the revised target of 70%.</p> <p>Performance in 2024/25 to date (as at June 2024) shows performance has improved but remains below the target at 61.4%. When broken down further this reflects a year to date position of 69% corporate and 39% schools.</p>

Indicator	id	ideal direction	unit of measurement	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2023/24 target	2023/24 RAG status	2024/25 ytd	2024/25 ytd target	2024/25 RAG status		trend	comments as at 19/01/24
												(for monthly or quarterly monitored indicators only)		(for monthly or quarterly monitored indicators only)			
IT incidents	i129	lower figure is better	number	18,261	12,935	17,602	15,668	13,589	12,685	n/a		2,557	n/a				The volume of corporate IT incidents has remained relatively steady over the years, with no significant trends occurring in the corporate or school estates. 2024/25 ytd data is as at June 2024.
IT service requests	i130	lower figure is better	number	40,971	44,955	49,155	33,684	36,633	38,106	n/a		9,078	n/a				The volume of corporate IT requests has remained relatively steady over the years, with no significant trends occurring in the corporate or school estates. 2024/25 ytd data is as at June 2024.
Data protection - number of breaches	i126	lower figure is better	number	62	67	49	69	92	112	n/a		25	n/a				The number of data breaches in 2022/23 (92) shows a 33% increase compared to the previous year, this in creased again in 2023/24 to 112. The vols of breaches and near misses are kept under review by the Data Governance Board, where any learning or remedial actions are identified; these are subsequently cascaded council wide through the Data Management Team. Due to a higher than usual increase in the volume of data breaches in 2022/23, an analysis was undertaken to ascertain the root cause. The increased volume was found mainly to be due to operating error (for example keeping details on systems up to date to avoid information being sent to wrong addresses, the use of auto-fill in Outlook, ensuring blank forms are sent to those that request them (and are not already completed with someone else's details), ensuring the correct attachments for letters / e-mails, and the importance of knowing how to use Glow. Remedial action is undertaken as at the point the breach is found (i.e. staff training, learning from mistakes, and reiterating the need to avoid basic admin errors) to try and ensure the same issue does not recur. In addition, work is currently underway to address the dangers of auto-fill in Outlook. All Chief Officers, and the council's senior management team, are continuing to monitor employee uptake of the mandatory e-learning modules on a monthly basis with redmedial action being undertaken for non completion, including the module for information security awareness. There were 25 breaches in 2024/25 to date, as at the end of June 2024.
Data protection - number of near misses	i127	lower figure is better	number	1	2	4	5	3	3	n/a		0	n/a				The volume of near misses has remained low over the years but this continues to be monitored by the council's Data Governance Board. There were 0 near misses in 2024/25to date, as at the end of June 2024.
Master citizen record - % of NL population with a master citizen record	Pi108	higher figure is better	%	59.9	65.4	66.1	38.2	21.0	69.1	40.0	blue	only measured annually	40.0				Figures for 2022/23 were lower than usual as the Multivue system, which provides the master citizen record (the single view of the customer), was undergoing an upgrade.

Indicator	id	ideal direction	unit of measurement	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2023/24 target	2023/24 RAG status	2024/25 ytd	2024/25 ytd target	2024/25 RAG status		trend	comments as at 19/01/24
												(for monthly or quarterly monitored indicators only)		(for monthly or quarterly monitored indicators only)	(for monthly or quarterly monitored indicators only)		
Broadband - % of properties receiving superfast broadband	ECON8a	higher figure is better	%	97.7	97.9	98.1	98.6	99.0		n/a		only measured annually	n/a				According to the Ofcom Connected Nations update, 99% of properties in North Lanarkshire receive superfast broadband - the 4th highest of all 32 local authority areas in Scotland. Ofcom define superfast broadband as supporting download speeds of at least 30Mbit/s. However, fibre connectivity - which requires fibre optic cabling which supports higher speeds than the copper cables used in traditional networks - is currently sitting at 32.6% across North Lanarkshire and therefore the undernoted indicator has been introduced to ensure fibre connectivity is reflected as well.
Fibre - % of residential premises in North Lanarkshire with full fibre availability	ECON8b	higher figure is better	%	4.2	7.2	9.7	14.4	26.8	32.6	n/a		only measured annually	n/a				Using the same data source as the Broadband indicator above (i.e. the Ofcom Connected Nations annual report), this indicator measures the proportion of residential premises that have coverage from a full fibre service from a fixed broadband. Full fibre coverage is defined as services that provide a fibre optic cable from the exchange to the end user's home or office. To match the Broadband indicator source used by the IS in the indicator above, the <i>annual</i> Ofcom report is used; the <i>annual</i> report as at December 2023 shows fibre coverage to have increased to be 32.6%. The Connectivity contract currently being delivered aims to transform the area's digital infrastructure and aim (by the summer of 2024) to ensure that 85% of homes across North Lanarkshire have access to gigabit capable broadband earlier than planned.
Complaints - % complaints dealt with at the frontline at stage 1	i113a	higher figure is better	%	92.1	89.9	91.0	86.8	88.3	88.1	90.0	green	82.9	90.0	green			The Complaints Handling Procedure (CHP) sets out the council's aim to provide a quick, simple, and streamlined process for responding to complaints early and locally by capable, well-trained staff. Where possible, the council aims to deal with the complaint at stage 1, i.e. at the frontline. This indicator measures the ratio of complaints closed at stage 1. Historical figures in this respect show that the council has consistently responded to 9 out of 10 complaints received at stage 1; however, this ratio dropped to just over 8 out of 10 complaints in 2021/22 but has increased to just under 9 out of 10 complaints in 2023/24. A report providing an initial analysis of complaints performance was submitted to the Audit and Scrutiny Panel in cycle 1 of 2024; this provides further details and analysis and the next steps in terms of areas where the data is being examined further to ascertain if any improvements are required to complaints handling.

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? ☐ Yes ☒ No

Ref EK/KS/FC/DC

Date 11/09/24

Revenue Monitoring Report Council Summary 1 April 2024 to 19 July 2024

From Elaine Kemp, Chief Officer (Finance)

E-mail KempE@northlan.gov.uk

Telephone 07939 280 601

Executive Summary

This report updates on the overall financial position for the General Fund Account, Housing Revenue Account and Adult Health and Social Care, for the financial year to 31 March 2025. The report consolidates the budget monitoring position of all Services, highlighting and explaining major variances as per the Council's approved Financial Regulations.

The Council approved its General Fund Revenue Budget on 15 February 2024. Following notification from Scottish Government of further funding made available to local authorities the budget has been revised to £1,010.668m. At this early stage in the year, a balanced budget is currently projected.

The 2024/25 budget incorporates £21.667m of net savings. It is projected that £20.245m of the savings (93%) will be delivered within the financial year, with replacement savings of £1.422m identified to fully address the shortfall.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledge the financial position of the 2024/25 revenue budget; and
- (2) Otherwise endorse the contents of this report.

The Plan for North Lanarkshire

Priority	All priorities
Ambition statement	(25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 The Council's approved Financial Regulations require services to remain within their approved budgetary provision, and to report all significant deviations - defined as the higher of £100,000 or 5% - within their budget monitoring reports. Where significant deviations are identified, services must provide explanatory commentary, outline the action required to rectify such deviations and where relevant, must also highlight the impact this has on other budget headings.

2. Report

- 2.1 At its meeting of 15 February 2024, the Council approved a General Fund Revenue Budget of £1,016.750m which included spend which will be offset by ring fenced grants of £15.290m. Additional funding has since been confirmed as part of the Scottish Government budget setting, resulting in an overall total budget of £1,010.668m.
- 2.2 Following the budget setting in February the Council has an approved savings target of £21.667m for 2024/25. Further detail can be found in Section 2.8 below.
- 2.3 Table 1 below summarises the projected income and expenditure position, which illustrates a balanced budget is currently envisaged at this early stage in the financial year.

	Annual Budget (£m)	Projected Outturn (£m)	P4 Variance (£m)
Expenditure			
Total Expenditure	1,010.668	1,010.668	-
Income			
Aggregate External Finance	836.123	836.123	-
Local Tax Collection	168.999	168.999	-
Use of Balance	5.546	5.546	-
Total Income	1,010.668	1,010.668	-
Projected variance: Surplus/(Deficit) at 31 March 2025	-	-	-

Table 1

Analysis of Significant Variations

- 2.4 Table 2 below illustrates the projected outturn financial position of services:

Service	P4 Outturn (£m)	
Education, Children and Families	-	On Budget
Enterprise and Communities	-	On Budget
Chief Executives and Other Corporate Services	-	On Budget
Social Work (Non-Integrated)	-	On Budget
Executive Services Total	-	On Budget
Financing Costs	-	On Budget
Total Projected Surplus/(Deficit)	-	On Budget

Table 2

- 2.5 Education Children and Families are reporting a breakeven position overall, however, it should be noted that there are a number of minor compensating variances within this position. Underspends are projected within transport costs are of £0.542m in relation to 'Home to School Transport' efficiencies, £0.134m in payments to other bodies in relation to family placement payments offset by overspends in relation to External ASN placements, and £0.095m underspend in other expenditure linked to external grant synergies aligned to Music. These underspends are offset by a forecast under-recovery in income of £0.494m in relation to reduced cross-boundary ASN placements within NLC settings, and an overspend within property costs of £0.319m due to utility costs within education estate.
- 2.6 Enterprise and Communities is reporting a projected breakeven position at this early stage in the financial year, with a number of compensatory variances contributing to this overall position. Employee costs are forecast to underspend by £2.049m as a result of vacancy savings, together with savings of £0.341m in administration costs due to underspend in membership fees. This is offset by an under-recovery in income of £1.628m in relation to membership fees and site admissions within the Active and Creative Communities estate, transport & plant overspend of £0.425m due to additional costs of work being outsourced prior to completion of a new depot facility, and forecast overspend of £0.403m on payments to other bodies in relation to pest control sub-contractors and increased penalty charge notice rates.
- 2.7 Chief Executives and Other Corporate Services is also reporting a projected breakeven position, however, within this position there are a number of compensating variances. Employee costs are forecast to underspend by £0.386m due to vacancies. This is offset by projected overspends of £0.190m in administration costs due to legal fees and projected insurance premium increase, and a net under recovery of income of £0.179m in relation to insurance, photocopying and registers fees, partially offset by over recoveries for rent allowances.
- 2.8 Loans Charges and Interest on Revenue Balances are currently projected to be on budget. However, it should be noted that due to the significant uncertainty and volatility within market conditions there is a material risk of movement of applicable interest rates. When applied to the high levels of balances held by the Council, this could lead to a significant movement in the level of financing costs expected. A review is currently being undertaken to model the potential impact of any changes, with an update to be provided to members in due course.
- 2.9 Members are also advised that the budget for both council tax income and council tax reduction (CTR) are monitored on an ongoing basis. This includes consideration of council tax collection, CTR uptake and household numbers. In addition, an assessment of Expected Credit losses will be required. An update on this position will be reported further into the financial year.

2023/24 Budget Savings

- 2.10 As outlined in paragraph 2.2 above, the Council has approved net savings of £21.667m for 2024/25. Each Service reports on the achievement of their savings within the relevant service monitoring report. It is projected that £20.245m of savings (93%) will be achieved in the current year, with the in-year gap of £1.422m being fully mitigated by replacement savings.

Earmarked Reserves and Change Management Fund

- 2.11 The Council's audited annual accounts highlight a General Fund reserve balance of £283.893m. This balance includes £8.000m for the Contingency Fund, with a further £245.690m earmarked for specific future commitments including £19.358m allocated to the Change Management Fund to support one off costs of approved. The remaining £30.203m of funds represent balances that were not earmarked as at 31 March 2024 and have therefore been set aside to support future budget strategies.
- 2.12 A total of £155.348m of earmarked reserves is profiled for use in 2024/25 with a further £90.342m profiled for use in future years. It is currently projected that £153.319m will be spent during this financial year with £92.366m anticipated to be required in future years and £0.005m no longer required. A summary position is shown in Appendix 2. Taking into account the projected forecast balanced budget position with a drawdown of historic balances from the Capital Fund of £2.951m, it is expected that at the end of the financial year the General Fund will include non-earmarked balances of £33.159m as detailed in Appendix 3. These balances will be available to support future budget challenges in accordance with the approved reserves policy, and any budget smoothing strategy recommended by the S95 Officer.

Risks and Uncertainty

- 2.13 All activities undertaken by the Council are subject to risk, and in acknowledging the Council's approved Risk Management Strategy, Services manage these as part of their overall corporate and service planning processes. The current economic climate and pay and non-pay inflation continuing at historically high levels, are some of the key factors that have the potential to impact upon the Council's ability to provide quality services within approved budget levels.

Housing Revenue Account

- 2.14 The Housing Revenue Account is currently projecting a Breakeven position for the financial year and anticipate that £1.165m of savings (100%) will be delivered by year end.

Adult Health and Social Care

- 2.15 Council Adult Health and Social Care provision to the Integration Joint Board (IJB) is projecting an underspend of £0.059m. This position is primarily due to a projected underspend in employee costs of £5.810m as a result of non-recurring reduction of employers superannuation coupled with slippage in recruitment which is partly offset by a projected overspend of £4.824m in payments to other bodies and transfer payments primarily in relation to the care at home sector who provide services to individuals via the SDS commissioning framework, higher than anticipated transport and plant costs of £0.647m mainly in relation to internal transport charges and staff mileage costs, and an overspend of £0.176m in supplies and services in relation to equipment and adaptations.

3. Measures of success

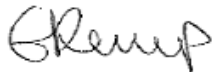
3.1 The Council continues to operate within approved budgeted resources.

4. Supporting documentation

Appendix 1 Summary by Division

Appendix 2 Anticipated Commitments – Earmarked Reserves

Appendix 3 Availability of One-Off Funds – Change Management Fund



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>
5.6 Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?

<p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.7 Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.8 Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.9 Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p>
<p>5.10 Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
<p>5.11 Children's rights and wellbeing impact</p> <p>Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

NORTH LANARKSHIRE COUNCIL
SUMMARY BY DIVISION FOR PERIOD ENDING 19 July 2024 (PERIOD 4)

LINE NO.	SERVICE ACCOUNT (1)	ANNUAL BUDGET (2)	PROVISIONAL OUTTURN (3)	PROVISIONAL VARIANCES (4)
		£	£	£
1	Education, Children & Families	514,310,214	514,310,214	-
2	Early Years	33,692,114	33,692,114	-
3	Primary Schools	151,898,243	151,898,243	-
4	Secondary Schools	143,360,986	143,360,986	-
5	Special Schools	25,083,889	25,083,889	-
6	Education & Families Service Delivery	109,087,872	109,643,776	(555,904)
7	Childrens Services Social Work	40,863,312	40,447,593	415,719
8	Justice Services	91,690	151,505	(59,815)
10	Employability	3,164,086	3,089,086	75,000
11	Community Learning	5,142,951	5,017,951	125,000
12	Tackling Poverty	1,925,071	1,925,071	-
13	Enterprise & Communities	201,898,997	201,898,997	-
14	Assets & Procurement	37,605,174	37,605,174	-
15	Trading Accounts	(462,202)	(462,202)	-
16	Community Operations	148,018,287	148,018,287	-
17	Housing Management	5,590,426	5,590,426	-
18	Housing Property Services	-	-	-
9	Active and Creative Communities	-	-	-
19	Place	11,147,312	11,147,312	-
20	Chief Executives & Other Corporate Services	104,745,560	104,745,560	-
21	Directorate & Support	514,437	543,735	(29,298)
22	Finance	45,111,074	45,055,528	55,546
23	Audit & Risk	577,028	563,184	13,844
24	Legal & Democratic	2,448,234	2,471,804	(23,570)
25	Business & Digital	23,102,277	23,020,256	82,021
26	People Resources	8,526,698	8,643,493	(116,795)
27	Strategic Communication and Engagement	5,126,925	5,171,178	(44,253)
28	Other Corporate Services	5,784,817	5,722,312	62,505
29	Joint Boards	13,554,070	13,554,070	-
30	Social Work (non Integrated)	210,256,987	210,256,987	-
31	GENERAL FUND SERVICES	1,031,211,758	1,031,211,758	-
32	FINANCING COSTS	(36,205,584)	(36,205,584)	-
33	Reversal of Capital Charge	(87,964,980)	(87,964,980)	-
34	Loan Charges and Interest on Revenue Balances	51,759,396	51,759,396	-
35	OTHER BUDGETARY ISSUES	15,662,079	15,662,079	-
36	Assumptions not yet Realised	15,662,079	15,662,079	-
37	Transfer from capital grant (Pay Award)	-	-	-
38	TOTAL EXPENDITURE	1,010,668,253	1,010,668,253	-
39	SOURCES OF FUNDING	1,010,668,253	1,010,668,253	-
40	Aggregate External Finance	836,122,788	836,122,788	-
41	Council Tax	168,999,465	168,999,465	-
42	Use of balances	5,546,000	5,546,000	-
43	(SURPLUS) / DEFICIT	-	-	-
44	HOUSING REVENUE ACCOUNT (SURPLUS) / DEFICIT	-	-	-
45	ADULT HEALTH AND SOCIAL CARE (SURPLUS) / DEFICIT	-	(59,287)	59,287

NORTH LANARKSHIRE COUNCIL

ANTICIPATED COMMITMENTS AGAINST EARMARKED RESERVES AS AT 19 July 2024 (PERIOD 4)

	Opening Reserve Balances £000	2024/25					Future Years			Total
		2024/25 Revised Earmarked Reserve £000	24/25 Projected Spend £000	Anticipated Year End Balance £000	Anticipated Future Year Use £000	No Longer Required £000	Profiled for Future Years £000	Anticipated Future Year Use £000	No Longer Required £000	No Longer Required £000
		£000	£000	£000	£000	£000	£000	£000	£000	£000
Change Management Fund	19,358	2,645	2,645	-	-	-	16,713	16,713	-	-
Earmarked & One Off Resources										
Schools Future Contractual Obligations	60,969	-	-	-	-	-	60,969	60,969	-	-
Strategic Workforce Planning	17,902	17,902	17,902	-	-	-	-	-	-	-
Temporary Teachers	823	823	823	-	-	-	-	-	-	-
Temporary Accommodation	8,038	8,038	8,038	-	-	-	-	-	-	-
Early Years & Childcare Expansion	5,213	3,332	3,332	-	-	-	1,881	1,881	-	-
Refugee Resettlement Programmes	8,323	4,347	4,347	-	-	-	3,976	3,976	-	-
Loans Charges	17,905	17,905	17,905	-	-	-	-	-	-	-
Unmanaged burdens within Education, Children & Families	4,234	4,234	4,234	-	-	-	-	-	-	-
Pupil Equity Fund	2,153	2,153	2,153	-	-	-	-	-	-	-
Balances held by Schools under Devolved School Management	2,655	2,655	2,655	-	-	-	-	-	-	-
Economic Recovery	1,519	1,519	1,519	-	-	-	-	-	-	-
Whole Family Wellbeing	4,417	2,071	2,071	-	-	-	2,346	2,346	-	-
Winter Reserve	1,500	1,500	-	1,500	1,500	-	-	-	-	-
Business Gateway and Business Recovery	1,697	878	878	-	-	-	819	819	-	-
Strategic Capital Investment Programme	44,800	44,800	44,800	-	-	-	-	-	-	-
One Workforce Grading Pressures	5,000	5,000	5,000	-	-	-	-	-	-	-
Digital NL	1,222	1,222	1,222	-	-	-	-	-	-	-
Mobilisation of Strategic Contracts	2,177	2,177	2,177	-	-	-	-	-	-	-
Shared prosperity Grants	1,753	1,753	1,753	-	-	-	-	-	-	-
Teacher Induction Scheme Support	1,302	1,302	1,302	-	-	-	-	-	-	-
Budget One-off Investment	8,119	8,119	8,119	-	-	-	-	-	-	-
Other Earmarked Funds	24,611	20,973	20,444	529	524	5	3,638	3,638	-	5
Earmarked & One Off Resources Total	226,332	152,703	150,674	2,029	2,024	5	73,629	73,629	-	5
Total Reserves	245,690	155,348	153,319	2,029	2,024	5	90,342	90,342	-	5
Contingency Reserve	8,000									
Non-Earmarked Balance; to support future budget challenges	30,203									
General Fund Surplus at 31 March 2024	283,893									

NORTH LANARKSHIRE COUNCIL
AVAILABILITY OF GENERAL FUND BALANCES AS AT 19 July 2024 (PERIOD 4)

	Change Management Fund	Non-Earmarked General Fund
	£000	£000
Total Balance B/f per 2023/24 Annual Accounts	19,358	30,203
Period 4 reported variance		0
Earmarked Reserves no longer required		5
Total Balance 2024/25 before commitments	19,358	30,208
Revised one - off costs of approved savings	(2,645)	
Draw down from Capital Fund		2,951
Total Balance 2024/25; to support future budget challenges	16,713	33,159
Known Commitments :- Revised one - off costs of approved savings	(2,774)	
Forecast Balance; to support future budget challenges	13,939	33,159

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? ☐ Yes ☒ No

Ref EK/NL/PF

Date 11/09/24

Revenue Budget Monitoring Report; Chief Executive's Service 1 April to 21 June 2024 (Period 3)

From Elaine Kemp, Chief Officer (Finance)

E-mail KempE@northlan.gov.uk

Telephone 01698 302408

Executive Summary

This report provides a summary of the Chief Executive's Service financial performance for the Period 1 April 2024 to 21 June 2024 (Period 3). The report illustrates the provisional outturn as at 31 March 2025, with major outturn variances highlighted and explained per the Council's approved Financial Regulations.

The Council approved its General Fund Revenue Budget on 15 February 2024, of which £104.746m currently represents the net revenue budget for the Chief Executive's Service.

Incorporated within the revenue budget are approved service savings totalling £1.707m.

The Service is currently projecting breakeven position for the financial year.

Recommendations

It is recommended that Finance and Resources Committee:

- (1) Acknowledge the financial position of the 2024/25 Chief Executive's Service revenue budget.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 The Council's approved Financial Regulations require the Chief Executive to remain within the approved budgetary provision, and to report all significant deviations - defined as the higher of £100,000 or 5% - within budget monitoring reports. Where significant deviations are identified, the Chief Executive must provide explanatory commentary, outline the action required to rectify such deviations and where relevant, must also highlight the impact this has on other budget headings.
-

2. Report

Summary of Financial Position

- 2.1 The Council approved its General Fund Revenue Budget on 15 February 2024, of which £104.746m (10.38%) represented the approved Revenue Budget for the Chief Executive's Service.
- 2.2 The overall projected outturn position of the Service is a break-even position. Appendices one to five provide further information in respect of this position.
- 2.3 As at Period 3 the position on Council Tax Reduction Scheme remains under review along with other elements of the Council Tax Product including household numbers and council tax collection for the year. The Council Tax Product will then be assessed for expected credit losses as part of the year end process. It is currently anticipated there will be no material variance overall.
- 2.4 The 2024/25 budget incorporates £1.707m of service savings. As at Period 3, £1.027m of the savings have been fully delivered and it is anticipated that the balance will be achieved during the course of the year. Further information regarding savings is included in Appendix 5.

Analysis of Significant Variances

- 2.5 The service currently anticipates a projected underspend of £0.475m within Employee costs as a result of actual and projected vacancies.
- 2.6 The service is currently anticipating an overspend of £0.183m within Administration Costs predominately due to increased projected costs for Insurance Premiums offset by postages.
- 2.7 The projected outturn for income is an under-recovery of £0.229m predominately attributable to under-recoveries within legal insurance, licensing and registrars offset by rent allowances / rent rebates overpayments.
- 2.8 There are various minor variances across other budget areas resulting in the Service forecasting breakeven as at 31 March 2025.

Earmarked and One-off Reserves

- 2.9 In finalising the Council's draft accounts to 31 March 2024, the service was given approval to earmark £3.567m of resources to fund key projects and initiatives profiled over a number of years. It is anticipated that £2.726m of the reserves balances will be utilised in 2024/25 with the remaining balance required for future years. Details of the Service's earmarked funds are provided in Appendix 4.

- 2.10 The Service has also been given approval to utilise £1.004m of funds from the Corporate Strategic Workforce Planning Reserve over a number of years. It is anticipated £0.449m of this reserve will be utilised in 2024/25 and actual costs arising will be reported in future reports. These funds are not included in the Service position.
- 2.11 The Service has incurred £0.012m VRS costs relating to previous year savings/restructures. Therefore, there is a requirement to utilise the Corporate Change Management fund at this time. Any further costs arising will be reported in future reports as they are incurred. These costs are not included in the Service outturn position.

2024/25 Budget Savings

- 2.12 The Council approved service savings of £1.707m savings of which £1.027m have been fully delivered as at Period 3 and it is anticipated that the balance will be achieved over the remainder of the year. Further information regarding savings is included in Appendix 5.

Management Actions

- 2.13 The Service is being pro-active to ensure expenditure is contained within its approved 2024/25 budget.

3. Measures of success

- 3.1 The Service continues to operate within approved budget resources.

4. Supporting documentation

Appendix 1	Objective Summary
Appendix 2	Subjective Summary
Appendix 3	Payments to Other Bodies
Appendix 4	Earmarked Reserves
Appendix 5	Budget Savings



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? As stated in the main body of the report.
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>

5.6	Technology / Digital impact
Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
5.7	Environmental / Carbon impact
Does the report / project / practice contain information that has an impact on any environmental or carbon matters?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.8	Communications impact
Does the report contain any information that has an impact on the council's communications activities?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.9	Risk impact
Is there a risk impact?	
Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?	
All activities undertaken by the Council are subject to risk, and in acknowledging the Council's approved Risk Management Strategy, Services manage these as part of their overall corporate and service planning processes. The current economic climate, in particular, has the potential to impact upon the Council's ability to provide quality services within approved budget levels.	
To minimise risk, this report has been prepared by service based Finance personnel in consultation with budget managers, in accordance with the Financial Regulations.	
5.10	Armed Forces Covenant Duty
Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.	

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes ☐ No ☐

NORTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report - Objective Analysis
Period 03 (01 April 2024 - 21 June 2024)
A - Chief Executives Service

DIVISION OF SERVICE [1]	ANNUAL BUDGET [2]	PROJECTED OUTTURN [3]	PROJECTED OUTTURN VARIANCE [4]	% [5]	PERIOD MOVEMENT [6]	ANALYSIS [7]
DIRECTORATE & SUPPORT	514,437	544,404	(29,967) ADV	(5.8%)	0	Overspend as a result of Legal Fees incurred by NLC.
FINANCE	45,111,074	44,896,296	214,778 FAV	0.5%	0	Underspend in employee costs as a result of vacancies, over-recovery of income within Rent Allowances and Rent Rebates overpayments, offset by overspends in relation to Insurance premiums and postages.
AUDIT & RISK	577,028	540,690	36,338 FAV	6.3%	0	Underspends within Employee costs as a result of vacancies.
LEGAL & DEMOCRATIC SOLUTIONS	2,448,234	2,477,500	(29,266) ADV	(1.2%)	0	Under-recovery in income in relation to insurance, photocopying and registrars offset by underspends within employee costs and postages.
BUSINESS & DIGITAL	23,102,277	23,023,891	78,386 FAV	0.3%	0	Underspends within Employee costs as a result of vacancies.
PEOPLE RESOURCES	8,526,698	8,753,103	(226,405) ADV	(2.7%)	0	Overspend within Employee Costs as a result of Turnover Savings.
STRATEGIC COMMUNICATIONS	5,126,925	5,170,789	(43,864) ADV	(0.9%)	0	Overspend within Employee Costs as a result of Turnover Savings.
OTHER COPORATE SERVICES	5,784,817	5,784,817	0	0.0%	0	
JOINT BOARDS	13,554,070	13,554,070	0	0.0%	0	
NET EXPENDITURE	104,745,560	104,745,560	0	0.0%	0	

NORTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report - Subjective Analysis
Period 03 (01 April 2024 - 21 June 2024)
A - Chief Executives Service

CATEGORY	ANNUAL BUDGET	PROJECTED OUTTURN	PROJECTED OUTTURN VARIANCE	%	PERIOD MOVEMENT	ANALYSIS
[1]	[2]	[3]	[4]	[5]	[6]	[7]
EMPLOYEE COSTS	41,653,491	41,178,777	474,716 FAV	1.1%	0	Underspends due to vacancies.
PROPERTY COSTS	1,844,620	1,907,677	(63,058) ADV	(3.4%)	0	Assumed insurance premium increase (5%).
SUPPLIES & SERVICES	10,688,003	10,688,004	(1) ADV	0.0%	0	
TRANSPORT & PLANT	172,848	172,848	0	0.0%	0	
ADMINISTRATION COSTS	8,294,359	8,477,445	(183,085) ADV	(2.2%)	0	Assumed insurance premium increase (5%) and legal fees offset by decreased costs for postages.
PAYMENTS TO OTHER BODIES	15,116,611	15,116,611	0	0.0%	0	
TRANSFER PAYMENTS	108,757,069	108,757,069	0	0.0%	0	
CAPITAL FINANCING COSTS	6,812,218	6,812,218	0	0.0%	0	
REVENUE FINANCING COSTS	0	0	0	0.0%	0	
OTHER EXPENDITURE	5,088,643	5,088,643	0	0.0%	0	
TOTAL EXPENDITURE	198,427,861	198,199,291	228,571 FAV	0.1%	0	
INCOME	(93,682,301)	(93,453,730)	(228,571) ADV	0.2%	0	Under-recovery in income in relation to insurance, photocopying and registrars offset by over-recoveries for Rent Allowances / Rent Rebates Overpayments.
NET EXPENDITURE	104,745,560	104,745,560	0	0.0%	0	

NORTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report - Payments to Other Bodies
Period 03 (01 April 2024 - 21 June 2024)
A - Chief Executives Service

CATEGORY [1]	ANNUAL BUDGET [2]	PROJECTED OUT-TURN [3]	PROJECTED OUT-TURN VARIANCE [4]	% [5]	PERIOD MOVEMENT [6]	ANALYSIS [7]
PAYMENTS TO OTHER BODIES GENERAL	2,828,584	2,828,584	0	0.0%	0	
MEDICAL FEES	10,659	10,659	0	0.0%	0	
AGENCY FEES	71,686	71,686	0	0.0%	0	
TOWN TWINNING	0	0	0	0.0%	0	
CHILDRENS PANEL	25,035	25,035	0	0.0%	0	
COSLA ANNUAL LEVY	345,000	345,000	0	0.0%	0	
COMMUNITY COUNCIL GRANTS	125,222	125,222	0	0.0%	0	
GRANTS TO ORGANISATIONS	1,011,157	1,011,157	0	0.0%	0	
EXTERNAL AUDIT FEE	679,389	679,389	0	0.0%	0	
ELECTION PROVISION	0	0	0	0.0%	0	
TOURISM - VISIT NORTH LANARKSHIRE	37,000	37,000	0	0.0%	0	
SCOTTISH WELFARE FUND	2,759,844	2,759,844	0	0.0%	0	
SUB-CONTRACTOR PAYMENTS	1,869	1,869	0	0.0%	0	
LOCAL TAX PAYPOINT COMMISSION	35,000	35,000	0	0.0%	0	
COSLA MIGRATION SCOTLAND	0	0	0	0.0%	0	
LANDS VALUATION CONTRIBUTION	1,814,004	1,814,004	0	0.0%	0	
SPT CONTRIBUTION	5,472,132	5,472,132	0	0.0%	0	
SPT CONCESSIONARY FARES CONTRIBUTION	579,419	579,419	0	0.0%	0	
CUSTOMER FIRST CONTRIBUTION	0	0	0	0.0%	0	
TOTAL EXPENDITURE	15,796,000	15,796,000	0	0.0%	0	

NORTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report - Status of Earmarked Reserves
Period 03 (01 April 2024 - 21 June 2024)
A - Chief Executives Service

	FINANCIAL YEAR - 2024/25									
DESCRIPTION OF EARMARKED RESOURCE	Reserve Allocation	Profiled in Future Years	Approved Reserve Total	Spend to Date	Projected Spend Value	%	Reprofile to Future Years	No Longer Required	Reserves Required In Year	Commentary Regards Usage
Service Specific Earmarked Reserves:										
Admin of Covid and Cost of Living related support scheme	11,919	0	11,919	272	11,919	100.0%			11,919	
COL Grant	34,645	0	34,645	16,117	34,645	100.0%			34,645	
Modern Apprentices	75,838	(18,959)	56,879	6,968	42,659	75.0%	14,220		42,659	1fte appointed during Summer Intake recruitment exercise. Service will look to appoint a further 1fte from the winter Intake and therefore require the balance to be carried forward to support these costs
Insurance Premiums	812,876	0	812,876	812,876	812,876	100.0%			812,876	
Digitisation	83,797	0	83,797	52,569	83,797	100.0%			83,797	
B&D - Investment model replacement of funds	627,000	(168,382)	458,618	0	458,618	100.0%			458,618	
NLC10 posts	21,849	0	21,849	0	21,849	100.0%			21,849	
NLC12 post	312,055	(251,905)	60,150	9,623	60,150	100.0%			60,150	
B&D - Backfill for EUC Infrastructure Team (Windows 11)	137,900	0	137,900	18,131	137,900	100.0%			137,900	
learning Academy	100,000	0	100,000	2,544	100,000	100.0%			100,000	
Construction Academy	228,000	0	228,000	0	228,000	100.0%			228,000	
CSH Recover NL	81,000	0	81,000	0	81,000	100.0%			81,000	
Recover NL CSH 2022/23 (Single Number)	457,861	(93,699)	364,162	0	124,460	34.2%	239,703		124,459	Recruitment exercise currently underway, balance will be required to be carried forward.
Recover NL Grants	23,863	0	23,863	0	23,863	100.0%			23,863	
Grant award Programme	148,000	(54,000)	94,000	0	94,000	100.0%			94,000	
Cost of Living (Comms)	35,372	0	35,372	0	35,372	100.0%			35,372	
Cumbernauld Community Grants (Antonine Centre)	225,000	0	225,000	0	225,000	100.0%			225,000	
Audit Fee	150,000	0	150,000	0	150,000	100.0%			150,000	
TOTAL	3,566,975	(586,944)	2,980,030	319,099	2,726,109	91.5%	253,923	0	2,726,107	

NORTH LANARKSHIRE COUNCIL
Revenue Budget Monitoring Report - Savings
Period 03 (01 April 2024 - 21 June 2024)
A - Chief Executives Service

Ref.	DESCRIPTION OF APPROVED SAVING	APPROVED SAVINGS			
		Target Value	Value Deliverable	Savings Gap	Reasons for Savings Gap
		£000	£000	£000	
01CEX	Directorate & Support - Reivew of Support Services	56	56	0	
03CEX	Directorate & Support	4	4	0	
04CEX	Finance (5%)	48	48	0	
07CEX	Legal & Democratic - Central Services (10%)	14	14	0	
13CEXD	Business & Digital - Reivew of Support Services	43	43	0	
10CEX	Business & Digital - Digital / Field Services - Technical Support to Education & Families	92	92	0	
11CEXD	Business & Digital - DigitalNL (MS Licences)	200	200	0	
12CEX	Business & Digital - Technoclogy Solutions - restructure and review of contracts	110	110	0	
13CEX	Business & Digital - Business Strategy	154	154	0	
19CEX	Strategic Communications & Engagement - Corporate Communications	149	149	0	
20CEX	Strategic Communications & Engagement - Communities	157	157	0	
	Historic Recurring Underspends	680	680	0	
	TOTAL	1,707	1,707	0	

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? ☐ Yes ☒ No

Ref EK/NL/PF

Date 11/09/24

Chief Executive Service – Capital Monitoring Report 1 April to 21 June 2024 (Period 03)

From Elaine Kemp, Chief Officer (Finance)

E-mail KempE@northlan.gov.uk

Telephone 01698 302408

Executive Summary

This report highlights the financial performance and projected outturn of 2024/25 Chief Executive capital programme for the period ended 21 June 2024 (Period 03).

In summary the Service has a total capital budget of £11.126m, comprising of £7.150m within Business and Digital and £3.976m within Strategic Communications and Engagement. This budget reflects the budget approved by the Policy and Strategy Committee in March 2024 and balances carried forward from previous years.

The Service is currently projecting a break-even position at this stage of the financial year. Further explanation of management action taken by the Service is included within the main report and attached appendices.

Recommendations

It is recommended that Finance and Resources Committee:

- (1) Considers the financial position of the 2024/25 Chief Executive capital programme.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 This report provides a summary of the Chief Executive Service financial performance for the period 1 April 2024 to June 2024 (Period 03), with major outturn variances highlighted and explained per the Council's approved Financial Regulations.
- 1.2 The Council approved its Capital programme at Policy and Strategy Committee on 14 March 2024 with an allocated budget £6.620m for the current year. In addition, carry forwards from the previous year and Scottish Government funding for Play Areas have resulted in a revised Capital Programme of £11.126m for the 2024/25 Financial Year as detailed in Appendix 1 of this report.
- 1.3 The Council's approved Financial Regulations required the Chief Executive to remain within his approved budgetary provision, and to report all significant deviations – defined as the higher of £0.100m or 5% - within their budget monitoring reports. Where significant deviations were identified, Chief Officers must provide explanatory commentary, outline the action required to rectify such deviations and where relevant, must also highlight the impact this has on other budget headings.

2. Report

Summary of Financial Position

- 2.1 The Service is projecting break-even for the financial year 2024/25 of the Capital Programme. Capital budgets and expenditure are summarised in Appendix 1.

Management Action

- 2.2 The Service closely monitors all activities to ensure available budgets are maximised whilst monitoring and actively managing the ongoing external challenges in delivery of projects. The Service continues to review the programme with updates being provided to the SCDG and Committee.

3. Measures of success

- 3.1 The Service aim is to operate within approved budget resources over the term of the capital programme.

4. Supporting documentation

- 4.1 Appendix 1 Summary Expenditure by Project / Theme



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? As stated within the main body of the report.
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5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>

5.6	Technology / Digital impact
Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
5.7	Environmental / Carbon impact
Does the report / project / practice contain information that has an impact on any environmental or carbon matters?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.8	Communications impact
Does the report contain any information that has an impact on the council's communications activities?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.9	Risk impact
Is there a risk impact?	
Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?	
<p>5.9.1 All activities undertaken by the Council are subject to risk, and in acknowledging the Council's approved Risk Management Strategy, Services manage these as part of their overall corporate and service planning processes. The current economic climate, in particular, has the potential to impact upon the Council's ability to provide quality services within approved budget levels.</p>	
<p>5.9.2 To minimise risk this report was prepared by Finance personnel in consultation with budget managers, in accordance with the Financial Regulations.</p>	
5.10	Armed Forces Covenant Duty
Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.	

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes ☐ No ☐

Chief Executives Capital Programme 2024/25
Summary Expenditure by Thematic Categories
1st April 2024 - 21 June 2024 (Period 03)

Theme	Budget £	YTD			OUTTURN	
		Actual £	Committed £	Uncommitted £	Projected Outturn £	Outturn variance £
Digitisation & Innovation	2,838,431	47,080	1,210,736	1,627,695	2,838,431	-
Line of Business (LOB) System Portfolio	2,245,243	55,001	292,591	1,952,652	2,245,243	-
End User Device (Eud) Refresh	1,723,913	21,603	300,142	1,423,771	1,723,913	-
Cyber	114,000	-	-	114,000	114,000	-
Capacity	100,000	-	-	100,000	100,000	-
Innovation	128,000	-	-	128,000	128,000	-
TOTAL BUSINESS and DIGITAL	7,149,587	123,684	1,803,468	5,346,119	7,149,587	-
Community Board Project Investment Fund	3,776,220	193,294	1,684,750	2,091,470	3,776,220	-
Community Asset Transfers	200,000	-	-	200,000	200,000	-
TOTAL STRATEGIC COMMUNICATIONS and ENGAGEMENT	3,976,220	193,294	1,684,750	2,291,470	3,976,220	-
TOTAL CHIEF EXECUTIVES	11,125,807	316,978	3,488,218	7,637,589	11,125,807	-

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? ☐ Yes ☒ No

Ref EK/GT/RM

Date 11/09/24

Capital Programme 2024/25 Monitoring Report

From Elaine Kemp, Chief Officer (Finance)

E-mail kempe@northlan.gov.uk

Telephone 07939 280 601

Executive Summary

The purpose of the report is to provide an update on the 2024/25 resources and expenditure for the Council's Strategic Capital Investment Programme. The report shows the 2024/25 projected outturn position and the resultant variances.

The projected outturn anticipates that expenditure in the General Fund programme will be in line with the programme budget but will be subject to continuous review as the financial year progresses.

With the HRA programme, it is currently anticipated that expenditure will be £3.573m lower within the Mainstream programme due to slippage in two demolition projects, and it is likely this spend will fall into the new financial year once the programme is re-established.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledges the provisional outturn financial position of the Council's Strategic Capital Investment Programme as at 19 July 2024.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 The Strategic Capital Investment Programme 2024/25 to 2028/29 was approved at Policy and Strategy Committee in March 2024 and represents the total Community Investment Programme incorporating the General Services Capital Programme and HRA Capital Programmes. The programme was developed in conjunction with Services and led by the Strategic Capital Delivery Group (SCDG) using the principles established by the Council's Capital Strategy.
- 1.2 The General Services Capital Programme supported by General Services resources demonstrates to communities that the place making visions for towns remains a priority and that the approved 5-year capital investment plan supports delivery of The Plan for North Lanarkshire. The programme includes additional investment in Town and Community Hubs, the City Deal programme, and external grant funding.
- 1.3 In addition, the Housing Revenue Account (HRA) resources support several HRA Capital Investment Programmes including the Mainstream programme for investment in the Council's existing estate and delivery of the ambition for 5,000 additional supply through the New Build and Council Buy Back programmes.
- 1.4 The 2024/2025 General Services Capital Programme is currently £151.712m with a £115.291m investment programme in relation to the Housing Revenue Account. This reflects the approved budget in March 2024 at Policy and Strategy Committee and subsequent decisions made at the Strategic Capital Delivery Group (SCDG) in accordance with the SCDG terms of reference, and where appropriate either by the individual service committees, Finance and Resources Committee or the Policy and Strategy Committee per the Scheme of Administration. Appendix 1 provides a breakdown of the overall 2024/25 budget by Service Programme and associated approved budget movements.

2. Report

Overall Council Strategic Capital Investment Programme

- 2.1 The overall Council Strategic Capital Investment programme for 2024/25 and the provisional outturn to 31 March 2025 is summarised in Table 1 as follows:

Community Capital Investment Programme Summary 2024/25

	Current Programme £000s	Provisional Outturn £000s	Outturn Variance £000s
Enterprise & Communities	138,415	138,415	0
Chief Executives	11,126	11,126	0
Adult Health & Social Care	2,171	2,171	0
General Services: Total Capital Investment	151,712	151,712	0
General Services Resources:			
General Fund			
External Grants & Contributions 2023/24	37,294	37,294	0
External Grants & Contributions b/f 2022/23	7,203	7,203	0
External Grants & Contributions Unapplied	(1,575)	(1,575)	0
Net External Grants & Contributions	42,922	42,922	0
Capital Receipts	3,250	4,804	1,554
Capital Receipts -Transfer to Capital Fund	0	0	0
CFCR	23,386	23,386	0
General Services: Total Resources	69,558	71,112	1,554
General Services : Borrowing Requirement	82,154	80,600	(1,554)
HRA : Total Capital Investment	115,291	111,718	3,573
HRA Resources:			
Net External Grants & Contributions	15,452	15,452	0
Capital Receipts	0	8	8
CFCR	20,089	20,089	0
HRA : Total Resources	35,541	35,549	8
HRA : Borrowing Requirement	79,750	76,169	(3,581)
Summary			
Total Council : Capital Investment	267,003	263,430	3,573
Total Council : Resources	105,099	106,661	1,562
Total Council : Borrowing Requirement	161,904	156,769	(5,135)

- 2.2 On a budgeted programme of £267.003m expenditure is anticipated to be £3.573m lower than current programme at this stage of the financial year. Further financial performance information regarding each of the programmes is discussed in section 2.3 and 2.13 below.

General Services Capital Programme and Projected Outturn by Service/ Programme

- 2.3 The forecast financial performance of the overall General Services Investment programme at 31 March 2025 is detailed in Appendix 2 and summarised below.

General Services Total Resources

- 2.4 The revised programme approved by the SCDG is £151.712m with total resources available to meet the current programme forecast to be £69.558m, resulting in a borrowing requirement of £82.154m.
- 2.5 In 2024/25 net external grants and contributions of £42.922m will be utilised. This capital resource primarily includes the Scottish Government (SG) General Capital Grant receivable of £22.270m and other specific SG Grants including City Deal (£3.289m), Vacant and Derelict Land Fund (VDLF, £1.231m), Live Labs II (LLII £1.369m), Traffic Signals and Road Safety Fund (TSRS, £2.434m) and Shared Prosperity Fund (SPF £1.406m). It also includes contributions from other sources such as Salix £2.345m and developer contributions of £4.483m. In addition, capital grants received in 2023/24 have been added to the programme to match expenditure in 2024/25 including £1.418m for VDLF, £1.841m for PBIP, £1.875m for Regeneration Capital Grant Fund, £1.477m for Live Labs II and £0.231m for Community Bus Fund. This has been offset by £1.575m of external grant and contributions for VDLF and the Scottish Wildlife Trust which will not be applied in 2024/25 for projects which will not now be completed until 2025/26.
- 2.6 Receipts from the sale of assets are currently projected to be £4.804m, which is £1.554m greater than the budget of £3.250m. These receipts will continue to be closely monitored throughout the financial year.

General Services Total Expenditure

- 2.7 As indicated in Table 1 the General Services investment programme is £151.712m. At Period 4, the provisional outturn spend is on budget. Further analysis by service/programme is outlined below and summarised within Appendix 2.
- 2.8 **Enterprise and Communities** is projecting outturn expenditure of £138.415m, which is on budget.
- 2.9 Within the Service, Assets & Procurement works have been accelerated within the Office Reconfiguration Theme (£0.528m) to support the needs of services. This has been offset by reprofiling planned projects within the Maintaining Existing Assets theme (£0.445m) and utilising vacancy savings within Design Fees and Future Capital Receipts Investments. This will be kept under review as the nature and profile of works is confirmed.
- 2.10 Committed expenditure of £75.830m is currently reported, which represents 54.78% of the targeted expenditure, and actual expenditure is £21.959m which represents 15.86% of targeted expenditure.
- 2.11 **Chief Executives** is projecting outturn expenditure of £11.126m, which is on budget. Committed expenditure of £3.997m is currently reported, which represents 35.92% of the targeted expenditure. Actual expenditure is £0.693m, which is 6.23% of targeted expenditure.
- 2.12 **Adult Health & Social Care** is projecting outturn expenditure of £2.171m, which is on budget. Committed expenditure of £0.459m is currently reported, which represents 21.14% of the targeted expenditure, and actual expenditure is £0.295m which is 13.59% of targeted expenditure.

HRA Capital Investment

- 2.13 The financial performance of the HRA Capital Programme is reported in detail to the Housing Committee. A summary of performance as at 19 July 2024 is provided at Appendix 3. Total expenditure of £111.718m is forecast for 2024/25 which is a reduction in programmed expenditure of £3.573m. This is due to technical issues associated with two tower demolition projects. The service is currently in the process of engaging with technical experts to resolve these issues to allow demolitions to proceed so expenditure is likely to be delayed until 2025/26.
- 2.14 The in-year variance is supported by longer-term financial planning assumptions within the HRA.
- 2.15 Committed expenditure of £101.114m is currently reported, which represents 90.51% of the targeted expenditure, and actual expenditure is £18.362m which is 16.4% of targeted expenditure

3. Measures of success

- 3.1 N/A

4. Supporting documentation

- 4.1 Appendix 1: Strategic Capital Investment Programme 2024/25 budget movements
Appendix 2: General Services Capital Investment Programme Summary 2024/25
Appendix 3: HRA Capital Investment Programme Summary 2024/25



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? The financial impact is outlined within the report.
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>
5.6 Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

<p>If Yes, please provide a brief summary of the impact?</p> <p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.7 Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.8 Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.9 Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p> <p>Despite the updated programme approved at Policy and Strategy Committee in March 2024 the capital programme continues to face challenges in relation to the wider economic climate, linked to availability of materials, contractors and inflationary pressures. These are currently being managed by services and Project Boards associated with specific programme delivery and will continue to be monitored throughout the year in accordance with the SCDG Terms of Reference.</p>
<p>5.10 Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
<p>5.11 Children's rights and wellbeing impact</p> <p>Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

2024/25 Strategic Capital Investment Programme – budget movements

Appendix 1

	Enterprise & Communities	Chief Executives	Adult Health & Social Care	Corporate	Total General Services Investment Programme	Total HRA Investment Programme	Total Community Investment Programme
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
24/25 Opening programme approved Policy & Strategy Committee 1 March '24	99,161	5,589	2,200	450	107,400	115,291	222,691
23/24 Overs/Unders Carry Forward	15,802	4,506	(29)	(37)	20,242	0	20,242
24/25 Budget adjustments approved by SCDG	872	0	0	(872)	0	0	0
Increase/(Decrease) in Externally Funded Projects	20,654	1,031	0	0	21,685	0	21,685
CFCR	1,926	0	0	0	1,926	0	1,926
24/25 Re-profiling of projects to future years approved by SCDG	0	0	0	459	459	0	459
Revised Capital Programme 2024/25	138,415	11,126	2,171	0	151,712	115,291	267,003

General Services Capital Investment Programme Summary 2024/25 - as at 31 March 2025

Appendix 2

Investment	Current Programme 2024/25 £000s	Projected Outturn 2024/25 £000s	Outturn Variance 2024/25 £000s	Committed Expenditure @ P4 £000s	Committed Expenditure % of Projected Outturn	Actual Expenditure @ P4 £000s	Actual Expenditure % of Projected Outturn
Enterprise & Communities	138,415	138,415	0	75,830	54.78%	21,959	15.86%
Chief Executives	11,126	11,126	0	3,997	35.92%	693	6.23%
Adult Health & Social Care	2,171	2,171	0	459	21.14%	295	13.59%
Total General Services Investment	151,712	151,712	0	80,286	52.92%	22,947	15.13%

General Services Resources;			
External Grants & Contributions 2024/25	37,294	37,294	0
External Grants & Contributions b/f 2023/24	7,203	7,203	0
External Grants & Contributions Unapplied cfwd to 2025/26	(1,575)	(1,575)	0
Net External Grants & Contributions	42,922	42,922	0
CFCR	23,386	23,386	0
Capital Receipts	3,250	4,804	1,554
Total Resources	69,558	71,112	1,554
<i>Borrowing Requirement:</i>			
General Services	82,154	80,600	(1,554)
Total General Services Borrowing Requirement	82,154	80,600	(1,554)
Total Resources incl Borrowing Requirement	151,712	151,712	0

HRA Capital Investment Programme Summary 2024/25 - as at 31 March 2025

Appendix 3

Investment	Current Programme 2024/25 £000s	Projected Outturn 2024/25 £000s	Outturn Variance 2024/25 £000s	Committed Expenditure @ P4 £000s	Committed Expenditure % of Projected Outturn	Actual Expenditure @ P4 £000s	Actual Expenditure % of Projected Outturn
Mainstream Programme	67,114	63,541	3,573	60,384	95.03%	12,401	19.5%
New Build Programme	35,541	35,541	0	35,541	100.00%	5,004	14.1%
Council Buy Back Scheme	12,636	12,636	0	5,189	41.07%	957	7.6%
Total HRA Investment	115,291	111,718	3,573	101,114	90.51%	18,362	16.4%

HRA Capital Resources;			
External Grants & Contributions	15,452	15,452	0
External Grants & Contributions Unapplied	0	0	0
Net External Grants & Contributions	15,452	15,452	0
CFCR	20,089	20,089	0
Capital Receipts	0	8	8
Total Resources	35,541	35,549	8
<i>Borrowing Requirement:</i>			
HRA - Mainstream	51,695	48,114	(3,581)
HRA - New Build	19,925	19,925	0
HRA - Buyback Scheme	8,130	8,130	0
Total Borrowing Requirement	79,750	76,169	(3,581)
Total Resources incl Borrowing Requirement	115,291	111,718	(3,573)

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☐ Yes ☒ No

Ref EK/KS/RM/GM

Date

11/09/24

Treasury Management Monitoring Report for quarter ended 30 June 2024

From Elaine Kemp, Chief Officer (Finance)

E-mail mcnameer@northlan.gov.uk

Telephone

Ryan McNamee, Finance Manager

Executive Summary

This report fulfils the key requirements of the Council's reporting procedures for Treasury Management in accordance with the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. It informs on the quarterly Treasury Management activity for the period 1 April 2024 to 30 June 2024 and compliance with the mandatory treasury and prudential indicators.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledge the Treasury Management Activity for the quarter ended 30 June 2024 including the performance against the key treasury and prudential indicators.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 The Council manages its treasury activities in line with the CIPFA Code 'Treasury Management in the Public Services'. The Code requires the Council to produce reports on its Treasury Management policies, practices and activities on a regular and ongoing basis. The Council fulfils these obligations, in part, by the preparation of this Treasury Management Monitoring report produced on a quarterly basis, encompassing a review of performance.
- 1.2 The Council's "Treasury Management Strategy 2024/2025 and Treasury and Prudential Indicators 2024/2025 to 2028/2029" was approved by Committee at its meeting on 28 February 2024. The Treasury activity undertaken in the first quarter of 2024/25 reflects the key requirements of the Council's 2024/25 Treasury Management Strategy, with the Public Works Loan Board (PWLB) and Long-term Money Market being the prime source of long-term funds. In terms of investment activity, this is conducted in accordance with the approved 2024/25 investment strategy.

2. Report

Summary Position

- 2.1 The net overall borrowing position to 30 June 2024 is £1,028.9m, which is an increase of £7.5m from the position at the 31 March 2024. A detailed breakdown of the net cash movement is shown in column (6) within Appendix 1 and is discussed below.

Borrowing

- 2.2 At the end of the quarter, total external debt amounted to £1,062.3m, a reduction of £13.3m. This was primarily due to repayment of existing PWLB debt of £3.8m, a £0.1m repayment of energy efficiency loans and a reduction in lease payments under existing finance lease and PPP obligations of £2.2m falling due for repayment. In addition, there was a decrease in net temporary borrowing of £7.3m, due to £85.3m of new borrowing being offset by £78.0m falling due for repayment.
- 2.3 The Council's approach to borrowing is in line with the approved strategy which aims to source long-term borrowing and take advantage of temporary (short-term) borrowing at attractive rates, and where possible, using internal cash balances, to meet the principal repayments, daily revenue account requirements and the capital financing requirement, in lieu of future borrowing for capital purposes. The strategy adopted considers interest rate forecasts, the management of carrying costs and the retention of cash balances at appropriate levels, whilst managing the associated investment, interest, and liquidity risk.
- 2.4 The Council made a successful application to the PWLB to access the certainty rate which allows a 20-basis point (bps) (0.20%) discount on loans from the PWLB under the prudential borrowing regime. This will continue to provide the Council with an opportunity to borrow from the PWLB at more beneficial rates until 30 April 2025.
- 2.5 A new PWLB HRA rate, which is 0.4% below the certainty rate, has been available from 15th June 2023, which will now be available until June 2025, to support local authorities borrowing for Housing capital purposes or refinancing existing loans. In conjunction with our treasury advisors, we continue to review borrowing requirements and assess borrowing opportunities for the Council during 2024/25.

- 2.6 The CIPFA Prudential Code stipulates that local authorities cannot borrow to invest primarily for financial return, deeming it imprudent to make investment or spending decisions which will increase the capital financing requirement resulting in new borrowing, unless it is directly and primarily related to the functions of the Council. The Council is compliant with this requirement. Members should note also that PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield.
- 2.7 Members will be aware interest rates have risen significantly over the past 2 years, increasing materially the cost of both short and long-term borrowing. In this quarter, the Bank of England maintained the base rate at 5.25%, however later in August reduced the base rate to 5.00%. It should be noted that the Council's cost of short-term borrowing remained steady as whilst the cost of short-term borrowing from other local authorities spiked to around 7% in late March 2024, primarily due a dearth of local authority lending/borrowing activity during the month, as expected shorter-term rates reverted to a more normal range and were generally around 5.25% through the quarter. The average rate on the Authority's short-term loans at 30th June 2024 was 5.41%.
- 2.8 Over the last quarter gilt yields have risen slightly overall, having had a number of peaks and troughs. There has been downward pressure from lower inflation figures, but also upward pressure from unexpectantly positive economic data. Data from the US continues to impact global markets including UK gilt yields. The PWLB certainty rate for 10-year maturity loans was 4.80% at the beginning of the quarter and 4.96% percent at the end. The lowest available 10-year maturity rate during the quarter was 4.80% and the highest was 5.18%. Rates for 20-year maturity loans ranged from 5.24% to 5.57% during the quarter, and 50-year maturity loans from 5.06% to 5.40%.

Debt Restructuring

- 2.9 In conjunction with our Treasury advisors, we monitored the economic climate in relation to our financial targets and Treasury Management strategy, for the quarter under review. The interest rates prevailing throughout the period resulted in no beneficial opportunities for debt restructuring/rescheduling of the existing PWLB debt portfolio arising.
- 2.10 The Council continues to hold £3.0m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. The rise in market interest rates increases the probability of LOBOs being called, however, no lender exercised their option during the quarter.
- 2.11 Further reports regarding future activity will be presented to Committee as appropriate.

Investments

- 2.12 Treasury management investments arise from cash flows or treasury risk management activity, that results in balances being invested, until the cash is required for use in the course of business.
- 2.13 At the end of the first quarter of 2024/25, the Council held total investments of £33.4m, which is a net decrease of £20.8m in cash and cash equivalents, primarily due to a £20.3m reduction in short-term investments, reflecting maturing temporary investments of approximately £329.4m, and undertaking new short-term investments of £309.1m

and an increase in the bank overdraft including cash in transit of £0.5m. See summary at Appendix 1, column 6.

- 2.14 At quarter end, the bank overdraft including cash in transit was £8.1m which is a net overdrawn position, an increase of £0.5m compared to the position reported at the end of the previous quarter of £7.6m. The negative net cash movement reflects an increase in BACS payments. The balance at 30 June 2024 comprises £8.1m of net BACS credits outstanding due for clearance within 3 days of the quarter end date, cash in transit balance of £0.2m, partly offset by cheques unrepresented of £0.2m.
- 2.15 In line with the approved strategy to manage liquidity, the Council maintained a minimum balance of £3.0m available on an overnight basis (instant access), ensuring a prudent level of funds is maintained to meet all service requirements.
- 2.16 During the quarter, the MPC voted to keep the Bank of England base rate at 5.25%. This stabilising of the base rate over the period under review, resulted in short-dated cash rates also stabilising, with rates ranging between 5.17% at the beginning of April to 5.15% at the end of June, a small reduction of 0.02% for overnight/7-day maturities. There is little noticeable difference between the 7 day and 1-month SONIA (Sterling Overnight Rate) bid rates and generally available investment rates offered by financial institutions and money market funds. Despite this, the Council will endeavour to achieve good performance levels in investment activity.
- 2.17 Overall the Treasury Management team continues to take a prudent approach to investing surplus funds in line with the approved 2024/25 Investment Strategy. Security of investment followed by ensuring sufficient liquidity are key investment criteria governing Council investment decisions. This approach is aligned to the prudent management of liquidity to meet current commitments and future cash demands based on the latest cashflow projections.
- 2.18 However, as demonstrated by the liability benchmark reported at (xi) below and Appendix 3 attached, it is anticipated the Council will be a long-term borrower and therefore new treasury investments are primarily made to manage day-to-day cash flows using short-term low risk instruments. The existing portfolio of strategic pooled funds will be maintained to diversify risk into different sectors and boost investment income.

Non-Treasury Management Investments

- 2.19 During the quarter, repayments of £0.01m were made in respect of third-party advances in connection with the Cumbernauld Academy DBFM and Greenfaulds DBFM.

Interest Rate Movements & Other Economic Updates

- 2.20 As outlined by our treasury management advisors, UK headline consumer price inflation (CPI) continued to decline over the quarter, falling from an annual rate of 3.2% in March to 2.0% in May, in line with the Bank of England's target. The core measure of inflation, however, only declined from 4.2% to 3.5% over the same period, which, together with stubbornly services price inflation at 5.7% in May, helped contribute to the BoE maintaining base rate at 5.25% during the period, a level unchanged since August 2023. Both measures remained unchanged in June's data release.
- 2.21 Data released during the period showed that showed the UK economy had emerged from the technical recession at the end of 2023 to expand by 0.7% (upwardly revised

from the initial estimate of 0.6%) in the first quarter of the calendar year. Monthly GDP data showed zero growth in April following an expansion of 0.4% in the previous month.

- 2.22 Having started the financial year at 5.25%, the Bank of England's Monetary Policy Committee (MPC) maintained the base rate at this level throughout the quarter. In line with expectations, at its June meeting, the Committee voted by a majority of 7-2 in favour of maintaining the status quo. The two dissenters preferred an immediate 0.25% reduction in base rate to 5.0%. This continued dovish tilt by the Committee increased financial market expectations that the first cut in base rate will likely be in August, which ultimately occurred when the BoE voted to reduce the base rate to 5.0%.
- 2.23 Earlier in May, in addition to an identical MPC rate decision and voting pattern, the Bank published the latest version of its Monetary Policy Report (MPR). Within the Report, the Committee noted that it expected four-quarter GDP growth to increase over the forecast period, reflecting the declining negative effects of past base rate increases and the predicted downward path of interest rates which should provide support to economic activity. The trajectory of inflation was broadly similar to that in the previous MPR, albeit slightly lower towards the end of the forecast horizon due to the Committee's revised assessment of falling external inflationary pressures from past import price increases. This meant the Committee expected headline inflation to hit the 2% target two quarters sooner than in the February MPR. As was highlighted earlier, inflation data published in June showed that CPI inflation fell to the 2% target in May.
- 2.24 Our treasury management advisors maintain its central view that 5.25% is the peak in Bank Rate and that interest rates will most likely be cut later in second half of 2024. The risks over the medium term are deemed to be to the upside as while inflation has fallen to target, it is expected to pick up again later in the year and as services price inflation and wage growth are still on the firmer side, the MPC could well delay before delivering further rate cuts.
- 2.25 Labour market data continued to provide mixed messages for policymakers, exacerbated by issues the Office for National Statistics have in compiling the labour force survey. In the three months between February and April 2024, unemployment was up, employment fell, while the decline in vacancies slowed and wage growth remained elevated. Unemployment rose to 4.4% (3mth/year) while average regular earnings (excluding bonuses) was 6.0% and total earnings (including bonuses) was 5.9%. Adjusting for inflation, real regular pay rose by 2.3% and total pay by 2.2%. Given how keenly the 'second-round' impact of inflation on wages is watched by the BoE, policymakers will likely want to see more downward movement before cutting interest rates further.
- 2.26 Sentiment in financial markets showed signs of improvement over the quarter, but bond yields remained volatile. Early in the period yields climbed steadily, but mixed signals from economic data and investors' constant reassessment of when rate cuts might come caused a couple of fairly pronounced but short-lived dips in yields. Towards the end of the quarter yields rose once again and were generally higher than at the start of the period.
- 2.27 Over the quarter, the 10-year UK benchmark gilt yield started at 3.94% and ended at 4.18% having reached 4.41% in May. The 20-year gilt started at 4.40%, hit 4.82% in May, before ending the period at 4.61%. The Sterling Overnight Rate (SONIA) averaged 5.20% over the quarter to 30th June.
- 2.28 Due to holding of the base rate during the period, short-term borrowing interest rates stabilised with the short term 7-day offer rate ranging between 5.32% and 5.43% over

the period. Taking account of the increase in borrowing rates and advice from our treasury management advisors, it was considered more cost effective in the near term to use a combination of internal resources or to borrow rolling temporary / short-term loans at lower interest rates where possible rather than long term borrowing. This will result in increased temporary borrowing costs for the Council partially offset by increased investment income earned on surplus balances.

- 2.29 The Treasury Management Section will continue to monitor financial and economic policy and their impact upon the Council's investment and borrowing activity.

The Prudential Code for Capital Finance in Local Authorities

- 2.30 The Local Government in Scotland Act 2003 requires the Council to undertake its Treasury activities in line with the Prudential Code for Capital Finance in Local Authorities.

- 2.31 Committee, at its meeting on 28 February 2024, approved a report titled, "Treasury Management Strategy 2024/2025 and Treasury and Prudential Indicators 2024/2025 to 2028/2029". This report detailed a variety of mandatory and local indicators aimed at assisting members to determine that proposed capital investment levels and treasury management decisions satisfied the key requirements of affordability, prudence and sustainability. Performance against key prudential indicators for 2024/25 to date is detailed within Appendix 2.

- (i) Indicator 1(a) illustrates planned investment on capital expenditure is forecast to be lower than initially anticipated by £46.1m in 2024/25. This reflects a reduction of £5.6m in the General Fund capital investment and £40.5m for the HRA Mainstream and New Build programmes. For further information, this is monitored in detail as part of the Council's capital programme reporting mechanisms which will provide spend details including any revisions to the estimates approved in 2024/25.
- (ii) The mix of resources required to finance the capital expenditure in 2024/25 reflects the updates on forecast capital investment. Therefore, the level of in-year borrowing is anticipated to be lower by £56.4m due to a reduction in General Fund programme of £34.2m and £22.2m for HRA programme. This forecast level of borrowing also reflects a net decrease in capital grants and external contributions of £14.6m with decreased funds available to HRA programmes of £18.3m partly offset by an increase in General Fund of £3.7m. An increase of £23.4m of CFCR is also anticipated, due to an increase in General Fund related to one-off savings in pension costs in 2024/25 being utilised for capital investment.
- (iii) As a result of accounting issues arising from the pandemic recovery, the implementation of IFRS 16 Lease Accounting was further delayed. Therefore, a restatement of existing liabilities for operating leases to the credit arrangement category will be implemented in 2024/25 with an estimated impact of £2.2m. In addition, subsequent impact of IFRS16 implementation on PPP liabilities in 2024/25, is estimated to result in capital investment of £93.9m being recognised in the period to 2028/29. It should be noted that this does not represent cash expenditure and is offset by recognition of associated credit arrangements financing.
- (iv) Indicator 1(b) – The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). The CFR is essentially a measure of Council's underlying borrowing need i.e. capital expenditure not

resourced by capital grants, receipts or CFCR, with any new borrowing increasing the CFR. The CFR is projected to rise to £1,606.0m within the financial year as at 30 June 2024.

- (v) The Prudential Code requires the Council's capital investment to be prudent and affordable. To demonstrate this, a Prudential Margin (the need to borrow versus actual borrowing) is calculated. Indicator 1(c) demonstrates a healthy prudential margin of £277.4m estimated as at 30 June 2024. The timing and profile of external borrowing to replenish cash reserves and balances are being managed, giving full consideration to liquidity, interest rate and refinancing risk, whilst minimising the potential carrying costs.
- (vi) Indicator 1(d) illustrates that both the overall Authorised Limit and Operational Boundary limits for borrowing and long-term liabilities have not been exceeded, with the maximum borrowing undertaken within the period being well below the approved boundaries.
- (vii) Indicator 1(e) illustrates the financing costs forecasts as at 30 June 2024 for both general fund and HRA as a proportion of net revenue stream. Although capital expenditure is not charged directly to revenue, interest payable on loans, and loan fund and long-term liability repayments are. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, NDR and government grants.
- (viii) Indicator 2(a) highlights the proportion of external interest payable by the Council which is fixed and variable over the term of the borrowing, and therefore the exposure to the effects of interest rate changes. As at 30 June 2024, the level of borrowing subject to variability is deemed to be within acceptable levels.
- (ix) Indicator 2(b) highlights a projected loan charge underspend of £5.2m compared to the initial prudential estimates for 2024/25. This projection takes into account treasury management activity, internal Interest on Revenue Balances (IORB) recharges due to increased market interest rates, the loans fund holiday flexibility adopted in 2022/23 and decisions of the Policy and Strategy Committee and the Strategic Capital Delivery Group to approve and reprofile the new capital programme for the period 2024/25 to 2028/29 based on current programme delivery plans. This current loan charge variance is made up of:
 - A net treasury management underspend of £5.1m is projected (£3.6m General Fund, HRA £1.5m), which is a primarily a reflection of reduced interest charges incorporating cashflow management techniques adopted, e.g. directing the timing of new borrowing, managing investment security, liquidity and interest rate risk.
 - In 2024/25 it is anticipated there will be a minor reduction in anticipated loans fund advance repayments of £0.1m (£0.1m General Fund). This is primarily due to revised average loan pool rates from previously forecast.
- (x) Indicator 2(c) relates to the level of fixed debt due to mature within time periods. The level of debt maturing remains within the upper limits set for each category at the beginning of the financial year.
- (xi) The Liability Benchmark at Appendix 3 is a new indicator. The Treasury Management Code states that organisations should evaluate the amount, timing and maturities needed for new borrowing in relation to planned borrowing needs, in order to avoid borrowing too much, too little, too long or too short. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shapes its strategic

focus and decision making. Essentially this benchmark identifies the projection of external debt/borrowing required over the long term to fund approved revenue & capital budgets, while keeping treasury investments at the minimum level required to manage day-to-day cash.

- (xii) This represents the comparison of the Council's actual borrowing against an alternative strategy. This utilises the forecasts for Capital Financing Requirement, long-term liabilities, current external borrowing, balance sheet resources i.e. reserves, and that cash and investment balances are kept to a minimum of £30.0m at each year-end to maintain sufficient liquidity but minimise credit risk.

	31/3/24 Actual £m	31/3/25 Forecast £m	31/3/26 Forecast £m	31/3/27 Forecast £m	31/3/28 Forecast £m	31/3/29 Forecast £m
Loans CFR	1,224.9	1,525.7	1,494.6	1,460.0	1,421.4	1,378.4
less Balance Sheet Resources	(418.0)	(291.1)	(283.7)	(265.3)	(253.7)	(262.4)
Net Loans Requirement	807.0	1,234.6	1,210.9	1,194.7	1,167.7	1,116.0
plus: Liquidity Allowance	30.0	30.0	30.0	30.0	30.0	30.0
Liability Benchmark	837.0	1,264.6	1,240.9	1,224.7	1,197.7	1,146.0
Existing Borrowing	866.9	553.7	512.6	478.2	448.0	418.4
New Borrowing Required	0.0	710.9	728.4	746.4	749.7	727.6

- (xiii) The Loans CFR (solid light blue) represents the total cost of the capital expenditure plans based on the estimated current profile of the 5-year Capital Programme 2024/2025 to 2028/2029 as approved by Policy & Strategy Committee on 14th March 2024. This reduces over time as scheduled principal repayments are made to the loans fund. The Net Loans Requirement (dotted red line) represents the minimum external borrowing required to fund the current capital expenditure plans assuming all cash reserves and balances are utilised to offset borrowing requirements. The Liability Benchmark (solid red line) represents the estimated borrowing required, taken account of liquidity allowance required of £30.0m to be held to maintain liquidity and to manage day-to-day cashflows.

- (xiv) The solid grey section shows the maturity profile of current borrowing. The gap between the grey section and the liability benchmark line represents the estimated additional borrowing that is forecast will be required to fund the current capital expenditure plans, via long-term and short-term borrowing options.

3. Measures of success

- 3.1 Overall the approach adopted by the Council's Treasury Management team during the quarter under review met the key requirements of the 2024/25 Treasury Management Strategy. Prudential indicators have remained in accordance with those approved by Committee on 28 February 2024. The projected final outturn illustrates a healthy prudential margin and borrowing levels that are below sustainable limits, ensuring that the projected capital investment levels remain affordable and sustainable. However, the current financial volatility and increased borrowing costs has resulted in an assessment being undertaken of the potential impact on future years of the current capital programme. This will continue to be monitored to determine if any further review of the programme is required to ensure that it remains sustainably affordable.

4. Supporting documentation

- Appendix 1: Loans, Long term Liabilities & Investments as at 30 June 2024
Appendix 2: Summary of Treasury and Prudential Indicators as at quarter ended 30 June 2024
Appendix 3: Liability Benchmark as at quarter ended 30 June 2024



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? Financial impacts are outlined within the report.
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>

5.6	Technology / Digital impact
Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
5.7	Environmental / Carbon impact
Does the report / project / practice contain information that has an impact on any environmental or carbon matters?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.8	Communications impact
Does the report contain any information that has an impact on the council's communications activities?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.9	Risk impact
Is there a risk impact?	
Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?	
As the Council borrows and invests significant sums of money it is exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. Therefore, successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.	
Treasury Management activity by its very nature has a number of inherent risks including interest rate, liquidity and refinancing risks. To minimise risk for its treasury management activities the Council adopts and operates in accordance with the guidelines for best practice prescribed within the CIPFA "Treasury Management in the Public Services" Code of Practice and the CIPFA Prudential Code for Capital Finance in Local Authorities.	
5.10	Armed Forces Covenant Duty
Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.	

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes ☐ No ☐

LOANS, LONG TERM LIABILITIES & INVESTMENTS AS AT 30 JUNE 2024
Appendix 1

	BALANCE 1-April-24 (1)	DEBT RESTRUCTURING		NEW BORROWING / LONG-TERM LIABILITIES (4)	PRINCIPAL REPAYMENTS (5)	NET CASH MOVEMENTS (6)	BALANCE 30-June-24 (7)
		EARLY REDEMPTION (2)	REFINANCING (3)				
<u>LONG-TERM LOANS</u>							
PWLB	568,400,552	0	0	0	(3,690,915)	(3,690,915)	564,709,637
MONEY MARKET LOANS	54,000,000	0	0	0	0	0	54,000,000
LOBO	3,000,000	0	0	0	0	0	3,000,000
ENERGY EFFICIENCY LOAN	729,577	0	0	0	(98,006)	(98,006)	631,571
	626,130,129.34	0	0	0	(3,788,921)	(3,788,921)	622,341,208.14
<u>SHORT-TERM LOANS</u>							
TEMPORARY	240,800,000	0	0	78,000,000	(85,300,000)	(7,300,000)	233,500,000
MUNICIPAL BANK	0	0	0	0	0	0	0
INTERNAL LOANS	6,280	0	0	0	0	0	6,280
	240,806,280	0	0	78,000,000	(85,300,000)	(7,300,000)	233,506,280
<u>LONG -TERM LIABILITIES</u>							
FINANCE LEASE OBLIGATIONS	1,289,304	0	0	0	(233,380)	(233,380)	1,055,925
LONG TERM LIABILITY	207,403,762	0	0	0	(1,992,769)	(1,992,769)	205,410,993
	208,693,067	0	0	0	(2,226,149)	(2,226,149)	206,466,918
<u>TOTAL EXTERNAL DEBT</u>	1,075,629,476	0	0	78,000,000	(91,315,070)	(13,315,070)	1,062,314,406
<u>INVESTMENTS</u>							
THIRD PARTY ADVANCES	1,157,813.82	0	0	0	(10,984)	(10,984)	1,146,829
BANKS & OTHER FINANCIAL INSTITUTIONS	60,630,160	0	0	0	0	(20,282,136)	40,348,024
BANK OVERDRAFT INCL CASH IN TRANSIT	(7,578,410)	0	0	0	0	(540,509)	(8,118,919)
<u>CASH & CASH EQUIVALENTS</u>	54,209,564	0	0	0	(10,984)	(20,833,630)	33,375,934
<u>NET BORROWING</u>	1,021,419,912	0	0	78,000,000	91,304,086	7,518,560	1,028,938,472

Appendix 2

Summary of Treasury and Prudential Indicators as at quarter ended 31 March 2025

1. Prudential Indicators

(a) Capital Expenditure	<u>Initial Estimate 2024/2025 (£m)</u>	<u>Projected Outturn 2024/2025 (£m)</u>	<u>Variance 2024/2025 (£m)</u>	<u>Forecast 2025/2026 (£m)</u>	<u>Forecast 2026/2027 (£m)</u>	<u>Forecast 2027/2028 (£m)</u>	<u>Forecast 2028/2029 (£m)</u>
Capital Expenditure: General Services	156.5	150.9	(5.6)	173.5	139.2	86.6	133.2
Capital Expenditure: HRA	155.8	115.3	(40.5)	162.3	173.6	153.6	131.1
Total spend : Capital Expenditure	312.3	266.2	(46.1)	335.8	312.8	240.2	264.3
Total spend : Credit Arrangement	88.7	88.6	(0.1)	0.3	1.0	2.1	4.1
Total Capital Investment	401.0	354.8	(46.2)	336.1	313.8	242.3	268.4
Financed By:							
Capital Grants & Other External Contributions	72.1	57.5	(14.6)	46.4	44.9	44.6	52.0
Capital from Current Revenue	20.1	43.5	23.4	43.5	20.1	20.1	20.1
Capital receipts	3.3	4.8	1.5	5.0	3.0	1.5	4.0
Capital receipts transfer to Capital Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CFR : Borrowing - General Services	114.8	80.6	(34.2)	115.7	108.4	57.6	94.3
CFR : Borrowing - HRA	102.0	79.8	(22.2)	125.2	136.4	116.4	93.9
Credit Arrangements	88.7	88.6	(0.1)	0.3	1.0	2.1	4.1
<i>check</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>

(b) Capital Financing Requirement (CFR)	<u>Initial Estimate 2024/2025 (£m)</u>	<u>Projected Outturn 2024/2025 (£m)</u>	<u>Variance 2024/2025 (£m)</u>	<u>Forecast 2025/2026 (£m)</u>	<u>Forecast 2026/2027 (£m)</u>	<u>Forecast 2027/2028 (£m)</u>	<u>Forecast 2028/2029 (£m)</u>
General Services	1,081.8	1,031.0	(50.8)	1,131.2	1,222.9	1,263.0	1,340.4
HRA	603.8	575.0	(28.8)	685.4	805.0	902.7	975.6
Total CFR	1,685.6	1,606.0	(79.6)	1,816.6	2,027.9	2,165.7	2,316.0
Movement in CFR	276.6	197.0		210.6	211.3	137.8	150.3

(c) Gross Debt and the Capital Financing Requirement	<u>Initial Estimate 2024/2025 (£m)</u>	<u>Projected Outturn 2024/2025 (£m)</u>	<u>Variance 2024/2025 (£m)</u>	<u>Forecast 2025/2026 (£m)</u>	<u>Forecast 2026/2027 (£m)</u>	<u>Forecast 2027/2028 (£m)</u>	<u>Forecast 2028/2029 (£m)</u>
Gross Borrowing : Loan Debt	1,147.1	1,034.6	(112.5)	1,267.7	1,488.6	1,646.2	1,815.1
Long-term Liabilities	293.0	294.0	1.0	290.9	288.4	287.0	287.4
Gross Debt	1,440.1	1,328.6	(111.5)	1,558.6	1,777.0	1,933.2	2,102.5
Capital Financing Requirement	1,685.6	1,606.0	(79.6)	1,816.6	2,027.9	2,165.7	2,316.0
Prudential Margin	245.5	277.4	31.9	258.0	250.9	232.5	213.5

Appendix 2 (cont)

Summary of Treasury and Prudential Indicators as at quarter ended 31 March 2025

1. Prudential Indicators

(d) Authorised Limit and Operational Boundary	<u>Initial Authorised Limit 2024/2025 (£m)</u>	<u>Initial Operational Boundary 2024/2025 (£m)</u>	<u>Maximum Borrowing Level Q1 2024/2025 (£m)</u>
Borrowing	1,515.0	1,465.0	870.6
Other Long-term Liabilities	340.0	340.0	206.5
Total Debt	1,855.0	1,805.0	1,077.1

(e) Proportion of Financing Costs to Net Revenue Stream	<u>Initial Estimate 2024/2025 (£m)</u>	<u>Projected Outturn 2024/2025 (£m)</u>	<u>Variance 2024/2025 (£m)</u>	<u>Forecast 2025/2026 (£m)</u>	<u>Forecast 2026/2027 (£m)</u>	<u>Forecast 2027/2028 (£m)</u>	<u>Forecast 2028/2029 (£m)</u>
General Fund Loan Charges	49.8	40.0	(9.8)	45.3	50.9	57.2	62.0
General Fund Finance Lease/PPP Costs	15.3	19.7	4.4	19.3	20.3	20.2	20.7
General Fund : Capital Financing Costs	65.1	59.7	(5.4)	64.6	71.2	77.4	82.7
General Fund : Net Revenue Stream	988.8	990.3	1.5	988.8	988.8	988.8	988.8
Proportion of Financing Costs to Net Revenue Stream - GF	6.6%	6.0%	(0.6%)	6.5%	7.2%	7.8%	8.4%

	<u>Initial Estimate 2024/2025 (£m)</u>	<u>Projected Outturn 2024/2025 (£m)</u>	<u>Variance 2024/2025 (£m)</u>	<u>Forecast 2025/2026 (£m)</u>	<u>Forecast 2026/2027 (£m)</u>	<u>Forecast 2027/2028 (£m)</u>	<u>Forecast 2028/2029 (£m)</u>
Proportion of Financing Costs to Net Revenue Stream							
HRA Loan Charges	42.8	35.8	(7.0)	40.7	46.9	54.0	62.1
HRA Finance Lease/PPP Costs	0.3	0.3	0.0	0.3	0.3	0.3	0.3
HRA : Capital Financing Costs	43.1	36.1	(7.0)	41.0	47.2	54.3	62.4
HRA : Net Revenue Stream	167.1	160.5	(6.6)	167.1	175.8	186.0	196.3
Proportion of Financing Costs to Net Revenue Stream - HRA	25.8%	22.5%	(3.3%)	24.5%	26.8%	29.2%	31.8%

Appendix 2 (cont)

Summary of Treasury and Prudential Indicators as at quarter ended 31 March 2025

2. Treasury Management Indicators

a) Interest Rate Exposures on External Interest Payments

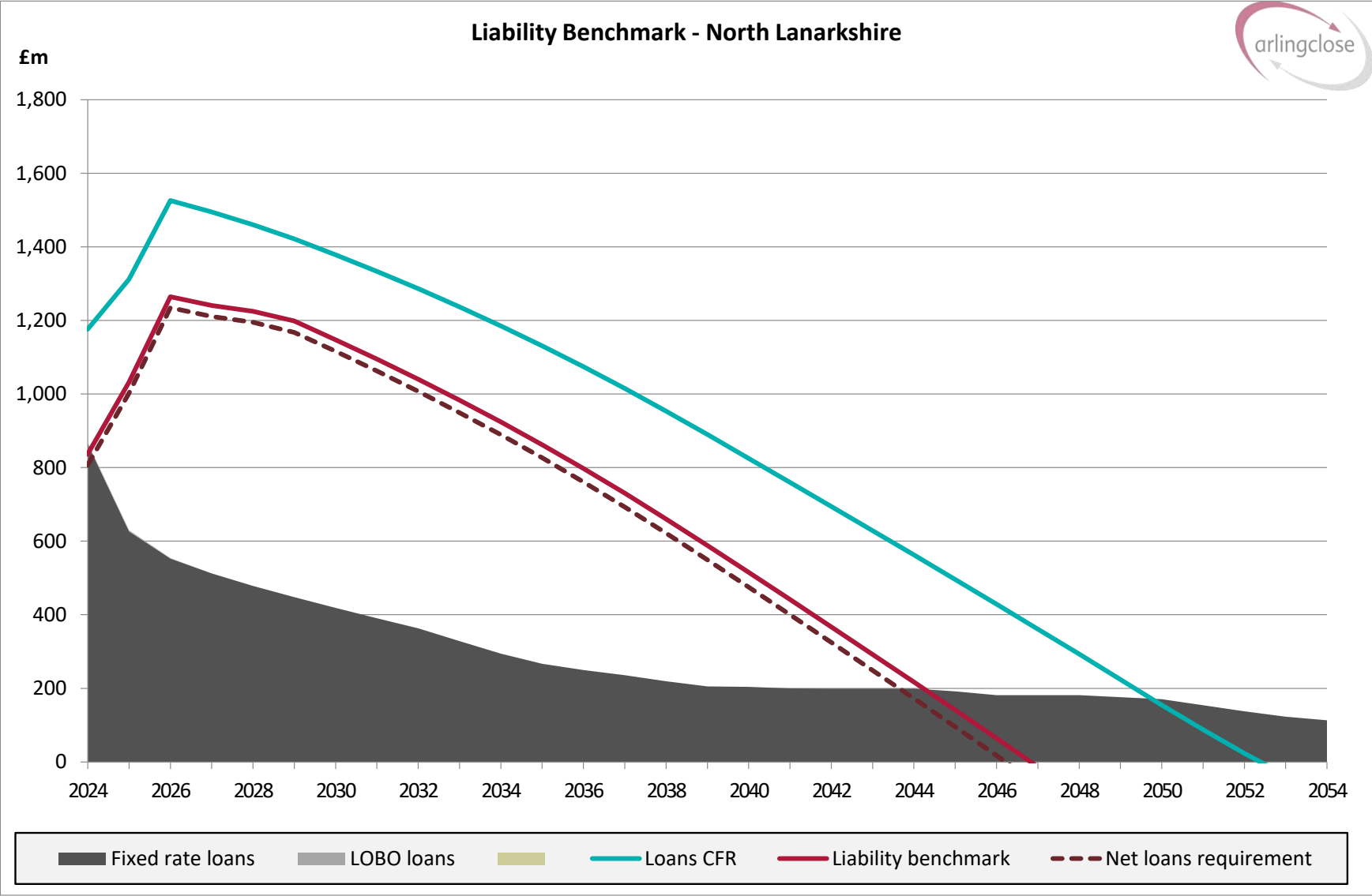
	<u>Position as at</u> <u>30/06/2024</u> <u>(£m)</u>	<u>%</u>
External Interest Payable on Fixed Rate Loan Debt	40.0	99.2%
External Interest Payable on Variable Rate Loan Debt	0.3	0.8%

b) Loans Fund Revenue Account

	<u>Initial</u> <u>Estimate</u> <u>2024/2025</u> <u>(£m)</u>	<u>Projected</u> <u>Outturn</u> <u>2024/2025</u> <u>(£m)</u>	<u>Variance</u> <u>2024/2025</u> <u>(£m)</u>	<u>%age</u>
Loans Fund Interest Payments	58.2	53.1	5.1	8.8%
Loans Fund Expenses	0.4	0.4	0.0	0.0%
Total Loans Interest Payments & Expenses	58.6	53.5	5.1	8.7%
Loans Funds Investment Income	(1.9)	(1.9)	0.0	0.0%
Total Loans Fund Interest Payments Investment Income & Expenses	56.7	51.6	5.1	9.0%
Allocated as follows :				
Loans Fund Interest Payments Investment Income & Expenses:General Fund	32.4	28.9	3.5	10.8%
Loans Fund Interest Payments Investment Income & Expenses:HRA	24.3	22.7	1.6	6.6%
Capital Advances Repayments - General Fund	11.3	11.2	0.1	0.9%
Capital Advances Repayments - HRA	13.0	13.0	0.0	0.0%
Total Capital Advances	24.3	24.2	0.1	0.4%
Total Loan Charges	81.0	75.8	5.2	6.4%

c) Maturity Structure of Borrowing

	<u><12months</u>	<u>12 months to</u> <u>2 years</u>	<u>2 to 5 years</u>	<u>5 to 10 years</u>	<u>10 to 20</u> <u>years</u>	<u>20 to 40</u> <u>years</u>	<u>>40 years</u>
Upper Limit maturing :Fixed & Variable Rate Debt	15.0%	15.0%	25.0%	30.0%	35.0%	45.0%	30.0%
Lower Limit maturing :Fixed & Variable Rate Debt	0.0%	0.0%	5.0%	5.0%	5.0%	10.0%	10.0%
Maturity structure at the start of Q1	5.7%	5.9%	16.9%	24.6%	15.2%	27.6%	4.1%
Maturity structure at the end of Q1	5.8%	6.0%	16.7%	26.6%	12.9%	27.8%	4.1%



North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? ☐ Yes ☒ No

Ref EK/KS/RM

Date 11/09/24

Treasury Management Annual Activity Report – 2023/2024

From Elaine Kemp, Chief Officer (Finance)

E-mail kempe@northlan.gov.uk

Telephone 07939 280 601

Executive Summary

This report fulfils the key requirements of the Council's reporting procedures for Treasury Management in accordance with the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities in that it:

- Outlines the treasury management activity undertaken during 2023/2024 and the resulting impact on the Council's borrowing and investment strategy.
- Reports on the Council's performance in complying with the mandatory prudential indicators.
- Provides a detailed summary of the Council's performance, making reference to those targets and prudential indicators set at the start of the year within the approved strategy.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledges the Treasury Management Activity undertaken during 2023/2024 and its resulting impact on the Council's borrowing and investment strategy set out within Appendix 1 to this report.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 The Council is required to meet a number of key reporting requirements for Treasury Management in accordance with the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.
- 1.2 This report fulfils one of these requirements, outlining the treasury management activity undertaken during 2023/2024 and the resulting impact on the Council's borrowing and investment strategy and the Council's performance in complying with the mandatory treasury and prudential indicators.

2. Report

- 2.1 The Treasury Management Strategy Statement 2023/2024 approved by Committee on 1 March 2023, set out the Treasury Management policies, practices and activities to be undertaken by the Treasury Management function during 2023/2024.
- 2.2 Appendix 1 provides a detailed summary of the Council's performance, referencing those targets and prudential indicators set at the start of the year within the approved strategy.
- 2.3 It focuses on the key areas of Treasury Management activity during 2023/2024 including:
 - External Borrowing
 - Interest Rates & Payments
 - Debt Maturity Profile
 - Investment Performance
 - Sources of Borrowing
 - Leasing
 - Regulatory Framework, Risk and Performance
- 2.4 The Council's Treasury Management activity continued to be managed in the light of the market conditions, to take advantage of lower interest rates for borrowing where possible, while minimising the level of investment balances held, with the Council's average loans pool rate increasing from 2.96% to 4.45% due to increasing interest rates throughout 2023/24.

3. Measures of success

- 3.1 Overall the approach adopted by the Council's Treasury Management team met the key requirements of the 2023/2024 Treasury Management Strategy.
-

4. Supporting documentation

4.1 Appendix 1: Treasury Management Annual Activity Report 2023/2024.



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1	<p>Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/></p>
5.2	<p>Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>Financial impacts are outlined within the report.</p>
5.3	<p>HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
5.4	<p>Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
5.5	<p>Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/></p>
5.6	<p>Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>

<p>If Yes, please provide a brief summary of the impact?</p> <p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.7 Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.8 Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
<p>5.9 Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p> <p>Treasury Management activity by its very nature has a number of inherent risks including interest rate, liquidity and refinancing risks. To minimise risk for its treasury management activities the Council adopts and operates in accordance with the guidelines for best practice prescribed within the CIPFA "Treasury Management in the Public Services" Code of Practice and the CIPFA Prudential Code for Capital Finance in Local Authorities.</p>
<p>5.10 Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
<p>5.11 Children's rights and wellbeing impact</p> <p>Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

Treasury Management Annual Activity Report 2023/2024

Index

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2. Background
3. Borrowing Requirement 2023/2024
4. Economic Background & Interest Rates 2023/2024
5. Interest Payments 2023/2024
6. Debt Maturity Profile
7. Sources of Borrowing
8. Debt Rescheduling
9. The Prudential Code for Capital Finance
10. Temporary Funds Investment Performance
11. Leasing
12. Soft Loans
13. Financial Guarantee
14. Treasury Management Advisory Service
15. Policy on Repayment of Loans Fund Advances 2023/2024
16. Regulatory Framework, Risk and Performance

1. Introduction

- 1.1 Treasury Management deals with the borrowing and investment activity of the Council and is an integral part of the Council's Financial Strategy. It seeks to ensure that both capital borrowing requirements and day to day revenue transactions are fully funded. Its importance has increased as a result of the additional freedoms provided by the Prudential Code.
- 1.2 The Council's treasury activities are strictly regulated by statutory requirements and a professional code of practice. Revised editions of the CIPFA Prudential Code and CIPFA Treasury Management Code of Practice were issued in December 2021. In accordance with the Council's financial regulations, the Council adopts the fully revised CIPFA "Treasury Management in the Public Services" Code of Practice (the Code) including the key principles and the Treasury Management Policy statement.
- 1.3 Within the Council, the Audit and Scrutiny Panel ensures the effective scrutiny of the treasury management strategy and policies, while the Finance and Resources Committee remains responsible for the development of the Strategy, its implementation and monitoring. The Council also promotes members' responsibility in this area, requiring greater member scrutiny of treasury management activity.
- 1.4 The Code of Practice requires the Council to produce reports on its Treasury Management policies, practices and activities, including, as a minimum, an annual strategic plan at the beginning of the financial year, a mid-year review, followed by an annual report on the measurement of success at the year-end. To ensure compliance with the Code of Practice, Treasury Management procedures are continually reviewed with any amendments reported to Committee as appropriate. Prudential arrangements and treasury management performance information is submitted to Committee on a quarterly basis.

2. Background

- 2.1 The Council has adopted the CIPFA Code of Practice in Treasury Management and operates its treasury services to mitigate the effect of possible risk in this function, while undertaking borrowing and investment activities that are prudent, affordable and sustainable.
- 2.2 As noted in 1.4 above, the Code of Practice requires the Council to produce reports on its Treasury Management policies, practices and activities on a regular and ongoing basis. This includes the preparation of an annual activity report providing a detailed summary of the Council's performance, making reference to those targets, limits and indicators set at the start of the year within the approved strategy.
- 2.3 In accordance with the Council's Treasury Management policy, the report focuses on activities undertaken during the year in the following key areas:-

- External Borrowing
- Interest Payments
- Sources of Borrowing
- Temporary Investments
- Compliance with the Prudential Code
- Regulatory Framework, Risk and Performance
- Interest Rates
- Debt Maturity Profile
- Debt Rescheduling
- Leasing

3. Borrowing Requirement 2023/2024

Capital Borrowing Requirement

- 3.1 The Treasury Management Strategy for 2023/2024, approved by the Finance & Resources Committee on 1 March 2023, indicated a capital programme of £298.4m. The capital expenditure programme was budgeted to be funded by external grants & contributions of £74.7m and capital contributions from revenue of £27.1m, resulting in a projected increase in the capital financing requirement of £196.6m.

- 3.2 The actual total investment in council assets during 2023/2024, amounted to £242.2m, which was partially funded by external grants and receipts of £75.6m and capital contributions from revenue of £21.9m, resulting in a capital financing requirement totalling £144.7m to support this capital investment, which is £56.2m less than the initial estimate and £36.7m less than the revised estimate at Q3.
- 3.3 This reduction in capital expenditure and reduced capital financing requirement is primarily a result of the Council experiencing challenges in delivering the Strategic Capital Investment Programme in light of a number of external factors affecting the wider economy including availability of materials, contractors and inflationary pressures, and increases in the Bank of England base rate impacting the Council's cost of borrowing. As a result, decisions were taken by the Housing Committee on 30 August 2023 and Strategic Capital Delivery Group (SCDG) at its meetings on the 2 February 2023 and 6 December 2023, to reduce the overall capital programme and re-profile the capital programme to reflect revised delivery timescales. This resulted in a reduction in the capital programme in 2023/24 of £69.9m.
- 3.4 The revised estimates contained within this report when compared to the initial estimates reflect the impact of Housing Committee and SCDG decisions and were approved within the Treasury Management Strategy 2024/2025 and Prudential Indicators 2024/25 to 2028/2029, approved by the Finance & Resources Committee on 28 February 2024. For comparison of the estimate to actual outturn, unless otherwise stated, the comparator adopted within this report is the actual outturn to the revised estimate at Q3.
- 3.5 Members have received reports throughout the year advising them of anticipated variations to the capital expenditure programmes and resource levels.
- 3.6 As highlighted in Table 3 included within Section 9 which outlines the Prudential Code for Capital Finance requirements, the resource mix to finance the 2023/2024 capital expenditure programme varied from the original estimate, primarily due to reductions in CFCR contributions of (£5.2m) and Credit Arrangements of (£0.2m) partly offset by an increase in net capital grants and external contributions available of £1.0m.

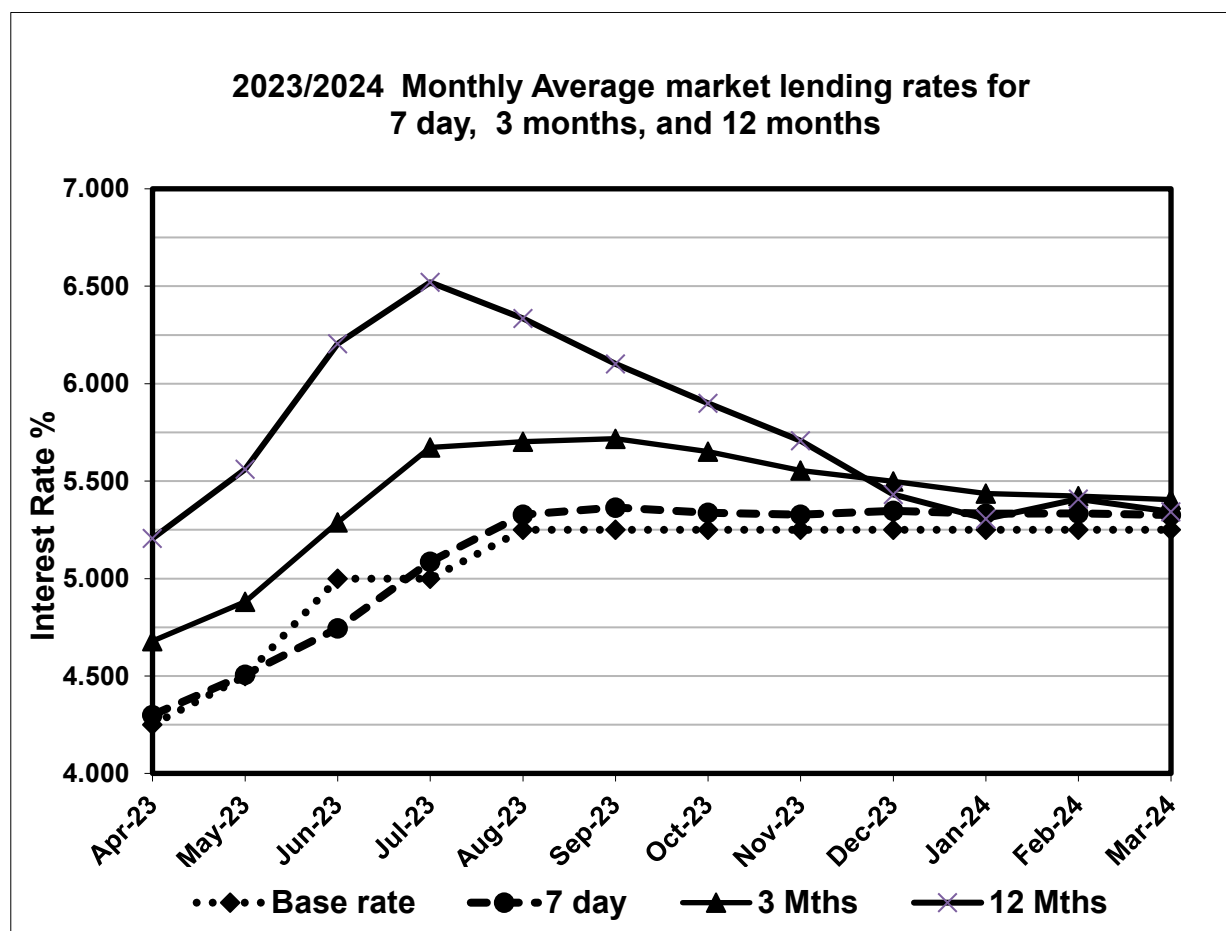
Capital Financing Requirement 2023/2024

- 3.7 The 2023/2024 capital financing requirement of £144.7m was funded primarily by a combination of internal balances/reserves, short-term borrowing(<1year) and long-term borrowing from the Public Works Loan Board (PWLb). A full summary is provided within Section 7 Sources of Borrowing.

4. Economic Background & Interest Rates 2023/2024

- 4.1 UK inflation continued to decline from the 8.7% rate seen at the start of 2023/24. By the last quarter of the financial year headline consumer price inflation (CPI) had fallen to 3.2% in March but was still above the Bank of England's 2% target at the end of the period. The core measure of CPI, i.e. excluding food and energy, also slowed in March to 4.2% from 4.5% in February, a rate that had stubbornly persisted for four consecutive months.
- 4.2 The UK economy entered a technical recession in the second half of 2023, as negative growth rates of -0.1% and -0.3% respectively were recorded for Q3 and Q4. Over the 2023 calendar year GDP growth only expanded by 0.1% compared to 2022. Of the recent monthly data, the Office for National Statistics reported a rebound in activity with economy expanding 0.2% in January 2024. While the economy may somewhat recover in Q1 2024, the data suggests that prior increases in interest rates and higher price levels are depressing growth, which will continue to bear down on inflation throughout 2024
- 4.3 Labour market data provided a mixed message for policymakers. Employment and vacancies declined, and unemployment rose to 4.3% (3mth/year) in July 2023. The same month saw the highest annual growth rate of 8.5% for total pay (i.e. including bonuses) and 7.8% for regular pay growth (i.e. excluding bonuses). Thereafter, unemployment began to decline, falling to 3.8% (3mth/year) in December before increasing again to 4.3% in March. Pay growth also edged lower to 5.7% for total pay and 6.0% for regular pay but remained above the Bank of England's forecast.

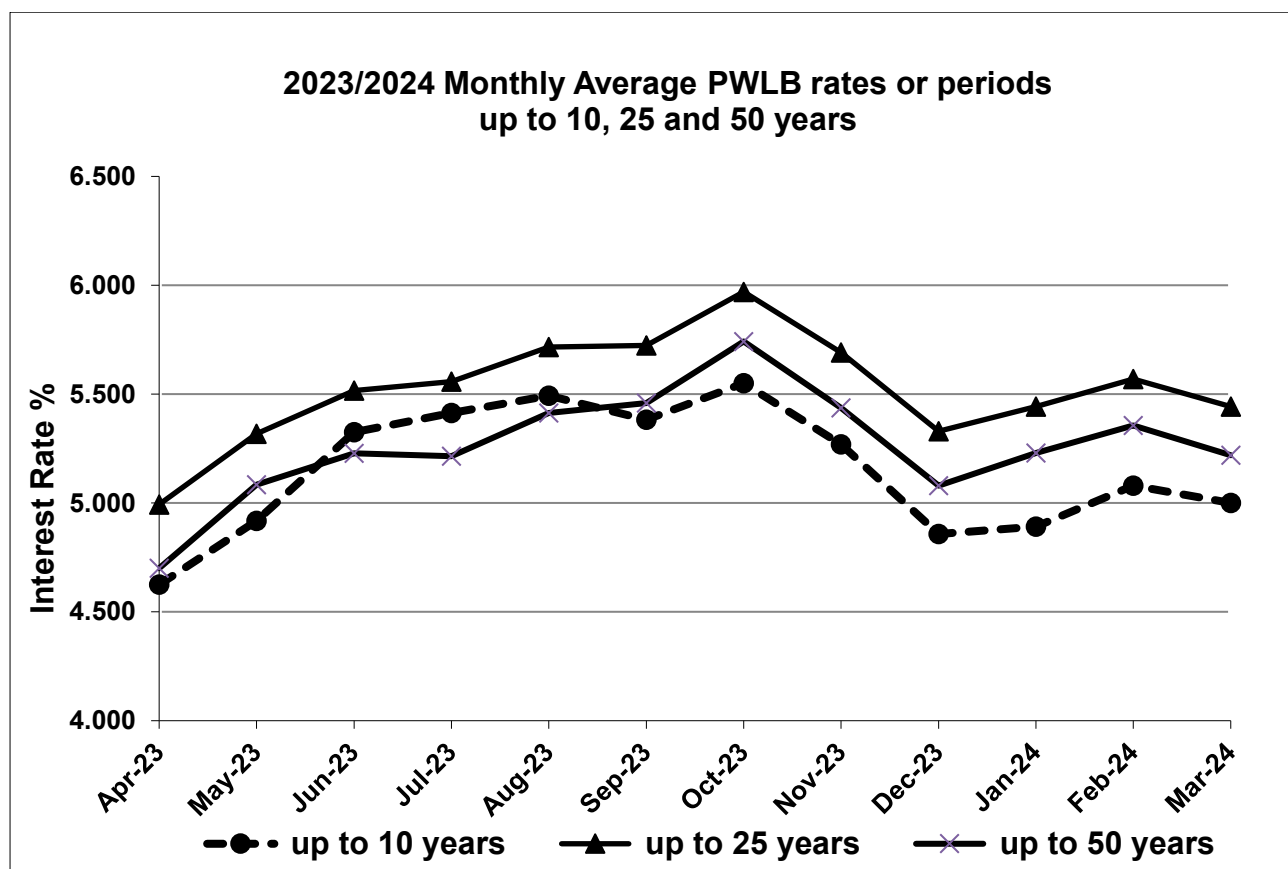
- 4.4 Having begun the financial year at 4.25%, the Bank of England's Monetary Policy Committee (MPC) increased Bank Rate to 5.25% in August 2023 with a 3-way split in the Committee's voting as the UK economy appeared resilient in the face of the dual headwinds of higher inflation and interest rates. Bank Rate was maintained at 5.25% through to March 2024. The vote at the March was 8-1 in favour of maintaining rates at this level, with the single dissenter preferring to cut rates immediately by 0.25%. Although financial markets shifted their interest rate expectations downwards with expectations of a cut in June 2024, the MPC's focus remained on assessing how long interest rates would need to be restrictive in order to control inflation over the medium.
- 4.5 In the Bank's quarterly Monetary Policy Report (MPR) released in August 2023 the near-term projection for services price inflation was revised upwards, goods price inflation widespread across products, indicating stronger domestic inflationary pressure with second-round effects in domestic prices and wages likely taking longer to unwind than they did to emerge. In the February 2024 MPR the Bank's expectations for the UK economy were positive for the first half of 2024, with a recovery from the mild recession in 2nd half 2023 being gradual. Headline CPI was forecast to dip below the 2% target quicker than previously thought due to declining energy prices, these effects would hold inflation slightly above target for much of the forecast horizon.
- 4.6 Reflecting the impact of the economic volatility throughout 2023/24, the graph below illustrates lending interest rates rose continuously throughout the year anticipating and reflecting Bank of England base rate increases announced in throughout the year to stand at 5.25% in March 2024. The fluctuation in the short-term borrowing rates payable by the Council for temporary funds (less than 1 year) is influenced by the prevailing market lending rates, the margin representing the relative supply and demand on any given day for local authority to local authority borrowing, and the term of borrowing profiled to the Council's cashflow requirements.



- 4.7 Sentiment in financial markets remained uncertain and bond yields continued to be volatile over the year. During the first half of the year, yields rose as interest rates continued to be pushed up in response to rising inflation. From October they started declining again before falling sharply in December as falling inflation and dovish central bank attitudes caused financial markets to expect cuts in interest rates in 2024. When it emerged in January that

inflation was stickier than expected and the Bank of England were not inclined to cut rates soon, yields rose once again, ending the period some 50+ bps (0.50%) higher than when it started.

- 4.8 Over the financial year the 10-year UK benchmark gilt yield rose from 3.44% to peak at 4.75% in August before then dropping to 3.44% in late December and rising again to end the financial year at 3.92%. The Sterling Overnight Rate (SONIA) averaged 4.96% over the financial year.
- 4.9 Interest rates have seen substantial rises over the last two years, although these rises have now begun to plateau. Gilt yields fell in late 2023, reaching April 2023 lows in December 2023 before rebounding to an extent in the first three months of 2024. Gilt yields have remained volatile, seeing upward pressure from perceived sticker inflation at times and downward pressure from falling inflation and a struggling economy at other times
- 4.10 The change in the perception as to how the economy is progressing is more readily explained by an analysis of the fluctuations in the PWLB medium to long term rates as per the graph below.



- 4.11 The spread between the highest and lowest daily interest rates payable for PWLB 10, 25 and 50 year borrowing periods throughout 2023/2024 were 1.33% for the 10-year range, 1.38% for 25 year range and 1.47% for the 50 year range. On 31st March 2024, the PWLB certainty rates for maturity loans were 4.94% for 10-year loans, 5.42% for 25-year loans and 5.21% for 50-year loans. Their equivalents on 31st March 2023 were 4.53%, 4.89% and 4.60% respectively
- 4.12 A new HRA PWLB rate which is 0.4% below the currently available certainty rate was made available from 15th June 2023. This rate will now be available to June 2025. The discounted rate is to support local authorities borrowing for Housing capital purposes or refinancing existing HRA loans, providing a window of opportunity for HRA-related borrowing during this time frame. During 2023/24, borrowing of £80.0m was taken utilising the HRA discount rate. In conjunction with our treasury advisors, we continue to review the requirements and assess the borrowing opportunities for the Council for 2024/25.
- 4.13 The cost of short-term borrowing from other local authorities has generally risen with Base Rate over the year. Interest rates peaked at around 7% towards the later part of March 2024

as many authorities required cash at the same time. These rates are expected to fall back to more normal market levels in April 2024.

5. Interest Payments 2023/2024

- 5.1 The Council made interest payments in 2023/24 of £46.8m (£27.6m in 2022/2023). This includes both the external and internal elements of interest payable, and the annual write-off associated with premiums and discounts. This increase of £19.2m from 2022/2023 levels represents additional net interest costs of £20.7m, comprising an increase in external interest payable of £10.3m and internal interest on revenue balances charges of £10.4m, partly offset by increased investment income of £1.5m due to increasing interest rates throughout the year. Whilst an increase in costs from previous year, total costs are primarily managed using a combination of internal balances/reserves and short-term borrowing(<1yr) which was sourced at lower interest rates, to meet the in-year capital financing requirement and the refinancing of long-term debt maturing, in lieu of future long-term borrowing where possible. This reflecting the borrowing strategy adopted in 2023/2024, which is complimented by efficient cashflow management and balance sheet analysis and ensures the nature and timing of new borrowing remains efficient and effective, achieving value for money.
- 5.2 The Council's average cost of servicing its debt and investment portfolio has started to increase in recent years due to rising market interest rates with the weighted average loans fund pool rate for 2023/2024 being 4.45%, an increase of 1.49% when compared to the average rate of 2.96% for 2022/2023.
- 5.3 Given the term structure of interest rates prevailing throughout the year, the borrowing strategy adopted minimised carrying costs (see paragraph 9.13 below), whilst managing liquidity. Whilst the weighted average loans fund pool rate of the Council's loan portfolio rose this year, debt costs were retained at prudent levels despite the significant increase in prudential borrowing rates. However, with interest rates forecast to continue to remain high in 2024/25 and possibly thereafter, this will become more challenging whilst maintaining the current capital investment programme.

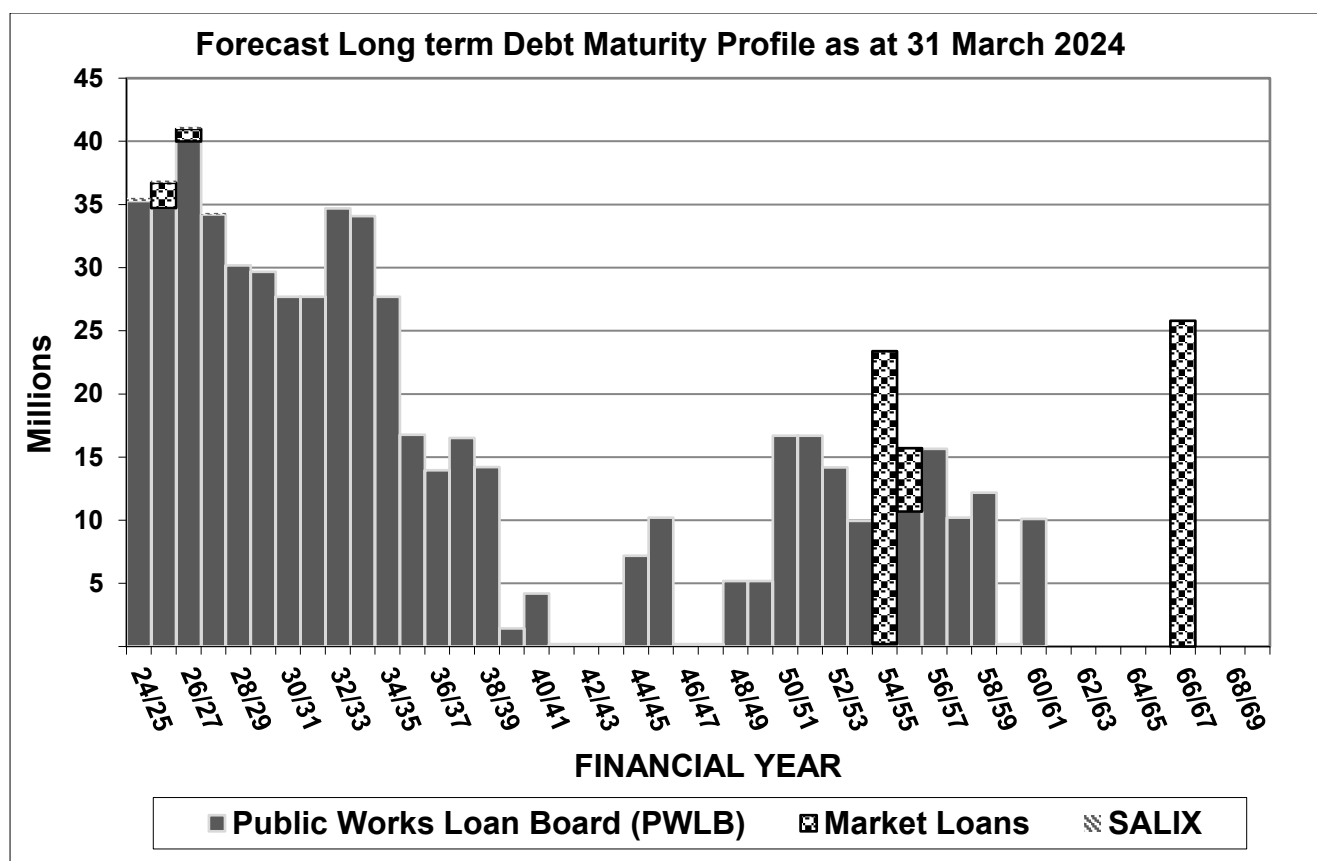
6. Debt Maturity Profile

- 6.1 Debt maturity profiles are continually monitored in the management of Treasury Management risk and in particular refinancing, liquidity and interest rate risk.
- 6.2 A summary of the current debt maturity profile is contained in Table 1 below.

Maturity Profile	2023/2024			2022/2023	
	£m	%		£m	%
Temporary Borrowing < 1yr	240.8	27.77%		242.0	32.31%
Long term borrowing:					
Maturing in less than 1 Year	35.5	4.10%		31.1	4.15%
Maturing in 1 - 2 Years	36.9	4.26%		21.0	2.80%
Maturing in 2 - 5 Years	105.7	12.19%		68.8	9.18%
Maturing in 5 - 10 Years	153.8	17.74%		77.3	10.32%
Maturing in 10 - 20 Years	95.3	11.00%		109.9	14.67%
Maturing in 20 - 40 Years	173.1	19.96%		173.3	23.13%
Maturing in more than 40 Years	25.8	2.98%		25.8	3.44%
	866.9	100.00%		749.2	100.00%

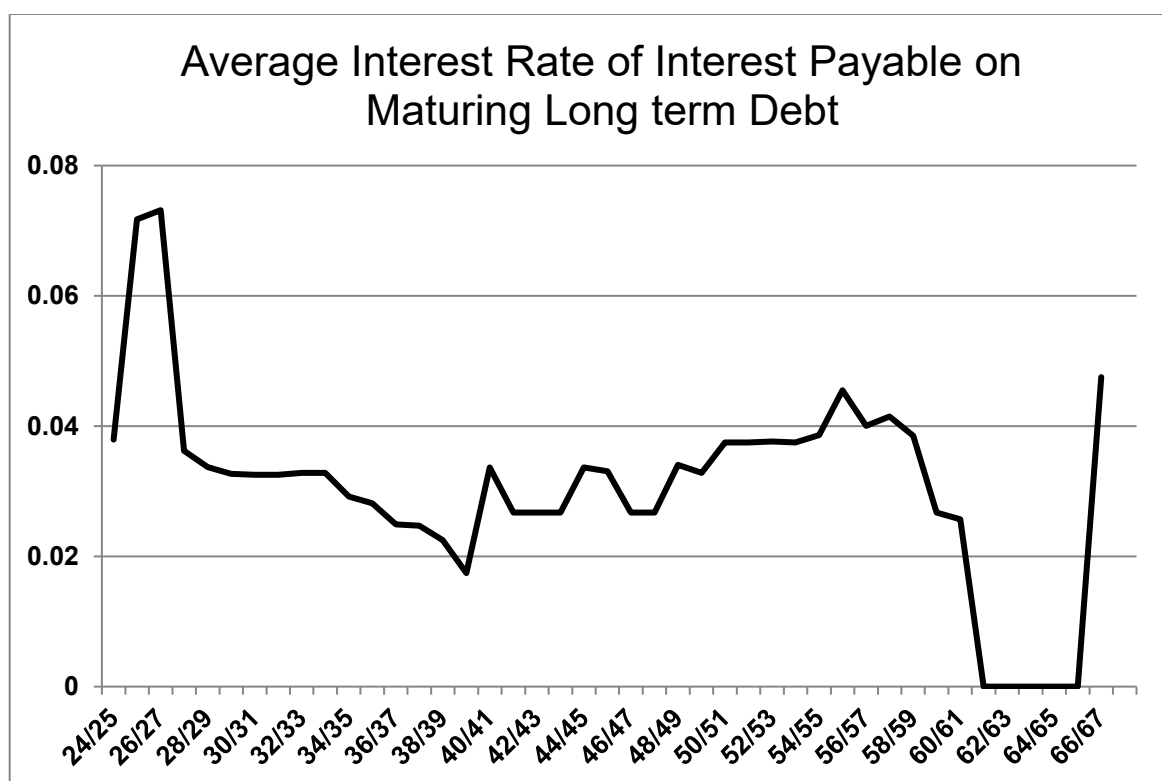
Table 1

- 6.3 A graphical presentation of the current debt maturity profile on an annual basis is shown below.



- 6.4 It should be noted that the maturity profile includes variable rate debt which can be repaid in whole or part at any time up until the maturity date without penalty, further increasing the flexibility within the repayment profile. It is currently assumed this debt will be held to maturity, subject to certain conditions.
- 6.5 The graph highlights that for the period 2028/2029 until 2031/2032, the average debt maturing is lower than earlier years, and after these periods and in a number of later years there is little or no debt due to be repaid. This may offer opportunities for sourcing debt within this maturity spectrum as part of future capital financing or debt restructuring/replacement strategies, dependent upon interest rates and in compliance with the overall Treasury Management strategy.
- 6.6 The graphical presentation of the debt maturity profile excludes short-term borrowing which was originally sourced to be repaid within 12 months (temporary borrowing < 1 year) per Table 1 above. It also includes principal outstanding for LOBO (Lender's Option Borrower's Option) loans based on their maturity date as opposed to the potential maturity date in the year where options or calls exist. A LOBO is called when the lender exercises its right to amend the interest rate on the loan at which point the Council can accept the revised terms or reject them and repay the loan.
- 6.7 At 31 March 2024 the Council had an exposure of £3.0m to LOBO loans, all of which have call dates falling within less than one year, with interest rates payable ranging from 10.625% to 10.937%. This balance of £3.0m, taken out in the mid 1980's to early 1990's, having an average interest rate of 10.73%. Based on the current and the forecast interest rates the likelihood of these loans being called has been assessed as minimal. In the event that the call option were to be exercised, the default position will be the repayment of the LOBO without penalty with the associated treasury management risks (refinancing/interest rate/liquidity) managed in line with the borrowing strategy for other maturing debt.
- 6.8 The graphical presentation below provides a further analysis of the average annual rate of interest payable on maturing long-term debt. This analysis highlighting possible opportunities for savings in interest costs over the coming years, as the refinancing strategy adopted, will

look to replace these loans at lower average interest rates than the historic interest rates currently being paid on the respective debt reaching maturity. In the years where no loans fall due for repayment this shows as 0.00% within the graph below.



7. Sources of Borrowing

- 7.1 At the 31 March 2024 the Council's total external debt, defined as actual gross borrowing (excluding interest accrued) plus obligations outstanding in respect of finance leases and Service Concessions liabilities had risen from £916.1m to £1,075.6m, an increase of £159.5m as shown in Table 2 below.

Sources of Finance	2023/2024			2022/2023	
	£m	%		£m	%
Public Works Loan Board	568.4	65.5%		449.2	60.0%
Money Market Loans	57.0	6.6%		57.0	7.6%
Other Local Authorities	-	-%		-	-%
Temporary Borrowing	240.8	27.8%		242.0	32.3%
Energy Efficiency Loan – Salix	0.7	0.1%		1.0	0.1%
Municipal Bank	-	-%		-	-%
Total Debt Outstanding	866.9	100.0%		749.2	100.0%
Finance Lease Liabilities	1.3	0.8%		1.5	0.9%
Service Concessions Liabilities	207.4	99.2%		165.4	99.1%
Total Long-term Liabilities	208.7	100.0%		166.9	100.0%
Total External Debt	1,075.6			916.1	
Annual Movement	159.5				

- 7.2 The increase in external debt of £110.4m is primarily due to movements in the total debt outstanding of £117.7m with PWLB borrowing increasing by £119.2m, due to new PWLB borrowing of £150.0m offset by PWLB repayments of principal for PWLB of £30.8m falling due for repayment in 2023/2024 per the terms of the original loan agreements, a minor decrease of £1.2m in temporary borrowing, (with transactional activity in terms of temporary borrowing being £537.8m in total, comprising £268.3m of cash received and £269.5m of cash being repaid during 2022/2023) and repayment of £0.3m in respect of energy efficiency loans from Salix.
- 7.3 In 2023/24 there was an increase in long term liabilities of £41.8m which was due to the implementation of the Service Concession flexibility available through Finance Circular 10/2022 (Finance Leases and Service Concession Arrangements). This allowed the Council to amend statutory repayment of principal elements of the lease component of service concession arrangements over the estimated asset lives instead of the contractual period. The value of this deferral was £49.1m incorporating retrospective elements of £44.6m related to period ending 2022/23 and £4.5m relating to 2023/24. These were offset by contractual repayments in respect of the finance lease and Service Concessions liabilities of £7.3m.
- 7.4 The above approach to borrowing in 2023/2024 was underpinned by: interest rate expectations;
- the management of carrying costs;
 - the spend profile of the Capital Investment programme; and
 - managing reserves and balances at prudent levels in lieu of external borrowing.

8. Debt Rescheduling

- 8.1 Debt rescheduling is defined as the reorganisation of existing debt in such a way as to amend the debt repayment profile of the authority, reduce the principal sum borrowed, alter the degree of volatility of the debt or vary the interest charge payable.
- 8.2 During 2023/2025, the economic climate in relation to our financial targets and Treasury Management strategy was monitored. The interest rates prevailing throughout the period resulted in no beneficial opportunities for debt restructuring/rescheduling of the PWLB debt portfolio.
- 8.3 A decision taken by the PWLB in October 2010 to increase interest rates, by an average of 0.90% above UK Government gilts, across the whole maturity spectrum for new PWLB fixed and variable rate loans from 1 year up to 50 years continues to significantly limit opportunities.

9. The Prudential Code for Capital Finance

Prudential Indicators

- 9.1 Following the introduction of the Local Government in Scotland Act 2003 and the Prudential Code for Capital Finance in Local Authorities, the Treasury Management Strategy Statement 2023/2024 detailed the mandatory prudential indicators, essential for ensuring that the Council's capital programmes were affordable, prudent and sustainable.
- 9.2 The Council approved a variety of indicators, including revised estimates for the financial years 2023/2024 through to 2026/2027. The total capital investment in 2023/2024 was £234.6m. A summary as to how this was financed is provided in Table 3 below.

	2023/2024 Initial Estimate (£m)	2023/2024 Revised Estimate (£m)	2023/2024 Actual (£m)	Variance (£m)
Capital Expenditure				
Expenditure on assets	298.4	278.9	242.2	36.7
Credit Arrangements	49.3	49.3	49.1	0.2
Total Capital Investment	347.7	328.2	291.3	36.9
Financed by				
Borrowing	196.6	168.9	144.7	(24.2)
Capital receipts	1.0	1.5	1.5	-
Grants & External Contributions	73.7	85.3	74.2	(11.1)
CFCR	27.1	23.2	21.9	(1.3)
Credit Arrangements	49.3	49.3	49.1	(0.2)

Table 3

- 9.3 The Capital Financing Requirement (CFR) which is a measure of the Council's underlying borrowing need, comprising borrowing and credit arrangements, was £29.0m less than anticipated as at 31 March 2024, compared to the revised estimate as shown in Table 4. The CFR is split between General Services and HRA which reflects actual debt outstanding as at 31 March 2024.

	31 March 2024 Initial Estimate (£m)	31 March 2024 Revised Estimate (£m)	31 March 2024 Actual (£m)	Variance (£m)
Capital Financing Requirement				
General Services	948.5	898.5	876.0	22.5
HRA	519.5	515.0	508.5	6.5
Total CFR	1,468.0	1,413.5	1,384.5	29.0

Table 4

- 9.4 This 2023/2024 decreased borrowing requirement (CFR) of £29.0m per Table 4 above comprises the reduced borrowing for capital expenditure on assets of £24.2m and £4.8m related to implementation of Service Concessions flexibility for 2023/24 (see para 7.3).
- 9.5 Per Table 5 below, the external debt position of the Council at the 31 March 2024 was £45.0m less than expected compared to the revised estimate. The total debt outstanding was lower than anticipated and healthy cash balances resulted in a reduced requirement for PWLB borrowing of £39.0m to meet daily cashflow requirements and manage liquidity risks.

Sources of Finance	31 March 2024 Initial Estimate	31 March 2024 Revised Estimate	31 March 2024 Actual	Variance
	£m	£m	£m	£m
Public Works Loan Board	661.8	607.4	568.4	39.0
Money Market Loans	57.0	57.0	57.0	-
Other Local Authority	-	-	-	-
Energy Efficiency Loan –Salix	0.7	0.7	0.7	-
Municipal Bank	-	-	-	-
Temporary Borrowing	242.0	242.0	240.8	1.2
Total Debt Outstanding	961.5	907.1	866.9	40.2
Finance Lease Liabilities	1.3	1.3	1.3	-
Service Concessions Liabilities	212.1	212.1	207.4	4.7
Total Long-term Liabilities	213.4	213.4	208.7	4.7
Total External Debt	1,174.9	1,120.6	1,075.6	45.0

Table 5

- 9.6 As a result of the movements in the capital financing requirement and the external debt position described above, there is a healthy prudential margin of £308.9m (the need to borrow versus actual borrowing) at the end of 2023/2024, as shown in Table 6 below. This is consistent with the Council approach to use internal reserves and balances to fund the cumulative capital financing position at the 31 March 2024 as an alternative to undertaking additional external borrowing.

	31 March 2024 Initial Estimate (£m)	31 March 2024 Revised Estimate (£m)	31 March 2024 Actual (£m)
Total CFR	1,468.0	1,413.5	1,384.5
Total External Debt	1,175.0	1,120.6	1,075.6
Prudential Margin	293.0	292.9	308.9

Table 6

- 9.7 Table 7 below shows the ratio of capital financing costs to total income for General Services and HRA were higher than anticipated due to increased interest costs due to increases in market interest rates led by increasing Base Rate during the year outlined within Section 15 below, whilst it also reflects the efficient management of investment and borrowing activity demonstrated throughout this report.

Proportion of Financing Costs/Income	31 March 2024 Initial Estimate	31 March 2024 Actual
General Services	5.9%	6.1%
HRA	19.1%	19.6%

Table 7

- 9.8 The Authorised Limit is the 'Affordable Borrowing Limit' required by S35 of the Local Government Act 2003. The Council does not have the power to borrow above this level. The Operational Boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or above the Operational Boundary are acceptable subject to the Authorised Limit not being breached.

9.9 Table 8 below shows in 2023/2024 the Council has maintained its gross borrowing and its long-term liabilities within the Authorised Limit and Operational Boundary.

	Approved Limit 2023/2024 (£M)	Maximum held per 2023/2024 Activity (£M)	Limit Breached (Yes/No)
Authorised Limit : Borrowing	1,350.0	857.7	No
: Long-term Liabilities	235.0	208.9	No
Operational Boundary : Borrowing	1,300.0	857.7	No
: Long-term Liabilities	235.0	208.9	No
Total Gross Borrowing at 31.03.2024	866.9		
Total Long-term Liabilities at 31.03.2024	208.7		
External Debt at 31.03.2024	1,075.6		

Table 8

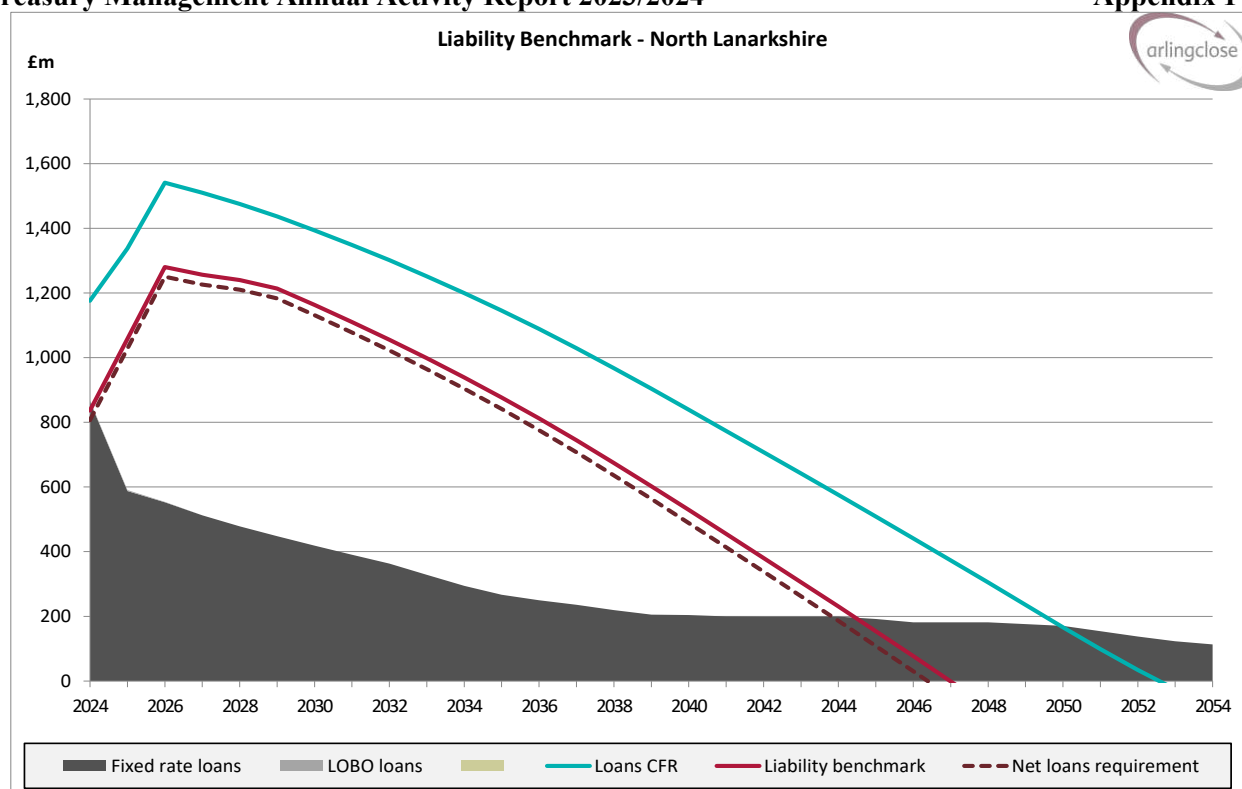
9.10 The external debt includes both the actual gross borrowing and long-term liabilities held at a specific point in time (i.e. 31 March 2024).

9.11 The Liability Benchmark at Table 10 below is a new indicator. The Treasury Management Code states that organisations should evaluate the amount, timing and maturities needed for new borrowing in relation to planned borrowing needs, in order to avoid borrowing too much, too little, too long or too short. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shapes its strategic focus and decision making. Essentially this benchmark identifies the projection of external debt/borrowing required over the long term to fund approved revenue & capital budgets, while keeping treasury investments at the minimum level required to manage day-to-day cash.

9.12 This represents the comparison of the Council's actual borrowing against an alternative strategy. This utilises the forecasts for Capital Financing Requirement, long-term liabilities, current external borrowing, balance sheet resources i.e. reserves, and that cash and investment balances are kept to a minimum of £30.0m at each year-end to maintain sufficient liquidity but minimise credit risk.

	31/3/23 Actual £m	31/3/24 Actual £m	31/3/25 Forecast £m	31/3/26 Forecast £m	31/3/27 Forecast £m	31/3/28 Forecast £m	31/3/29 Forecast £m
Loans CFR	1,052.7	1,175.8	1,541.3	1,509.9	1,475.5	1,437.0	1,393.8
less Balance Sheet Resources	(387.4)	(369.5)	(291.1)	(283.7)	(265.3)	(253.7)	(262.4)
Net Loans Requirement	665.3	806.3	1,250.2	1,226.2	1,210.2	1,183.3	1,131.4
plus: Liquidity Allowance	30.0	30.0	30.0	30.0	30.0	30.0	30.0
Liability Benchmark	695.3	836.3	1,280.2	1,256.2	1,240.2	1,213.3	1,161.4
Existing Borrowing	749.2	866.9	553.7	512.6	478.2	448.0	418.4
New Borrowing Required	0.0	0.0	726.5	743.7	762.0	765.3	743.1

Table 9

**Table 10**

9.13 The Loans CFR (solid light blue) represents the total cost of the capital expenditure plans based on the estimated current profile of the 5-year Capital Programme 2024/2025 to 2028/2029 as approved by Policy & Strategy Committee on 17th March 2024. This reduces over time as scheduled principal repayments are made to the loans fund. The Net Loans Requirement (dotted red line) represents the minimum external borrowing required to fund the current capital expenditure plans assuming all cash reserves and balances are utilised to offset borrowing requirements. The Liability Benchmark (solid red line) represents the estimated borrowing required, taken account of liquidity allowance required of £30.0m to be held to maintain liquidity and to manage day-to-day cashflows.

9.14 The solid grey section shows the maturity profile of current borrowing. The gap between the grey section and the liability benchmark line represents the estimated additional borrowing that is forecast will be required to fund the current capital expenditure plans, via long-term and short-term borrowing options.

Treasury Management Indicators

9.15 The Council approved a variety of Treasury Management indicators for the financial years 2023/2024 through to 2025/2026. Tables 11 and 12 below provide a comparison of the estimated and actual 2023/2024 Treasury Management indicators.

Interest Category	Estimate 2023/2024 (£m)	Actual 2023/2024 (£m)	Variance (£m)	%
Interest payable on Fixed Rate Debt	37.8	30.9	6.9	18.3%
Interest payable on Variable Rate Debt	0.3	0.3	0.0	0.0%
Total External Interest Payments	38.1	31.2	6.9	18.1%
Interest Receivable Funds Invested	(1.3)	(3.0)	1.7	130.8%
Net Loan External Interest Charges	36.8	28.2	8.6	23.4%

9.16 Table 11 above provides prudential information in respect of external payments due and income receivable only as these are under the direct control of the Treasury Management section. In 2023/2024 there was a reduction of £6.9m in net loan external interest payments compared to initial estimates for 2023/2024. This favourable variance was achieved due to the borrowing strategy adopted to meet the revised General Services and HRA Capital Programme for 2023/24.

9.17 This interest saving representing the difference between the estimated cost of new long term and temporary borrowing based on an interest rate of 5.00% and 4.50% respectively compared to the actual average interest rates of approximately of 4.78% and 4.80% for respectively undertaken throughout 2023/2024. Although, the actual average rates for temporary borrowings are higher than original estimates whereas long-term borrowings are lower than estimate, overall a saving was achieved due to the level of long-term borrowing being significantly less than expected as £150.0m long-term borrowing was undertaken compared to an anticipated initial estimate of £172.6m for 2023/24, and previously assumed borrowing of £66.5m in latter part of 2022/23 not taken, this being due to cash balances and reserves, in line with TM Strategy, being utilised in lieu of future long-term borrowing where possible and the impact of the challenges to the Capital Investment programme due to external supply and inflationary pressures.

9.18 Table 12 below provides a summary of the Capital Financing charges for both General Fund and HRA in respect of the loans fund which includes;

- external payments due and income receivable per Table 9 above
- the annual premium/discount written off for historic and new rescheduling/refinancing
- the internal interest payable on revenue balances
- the capital advance repayments made in the year

Capital Financing Charges	<u>Initial Estimate 2023/2024 (£m)</u>	<u>Final Outturn 2023/2024 (£m)</u>	<u>Variance (£m)</u>	<u>%</u>
Loans Fund Interest Payments	41.3	49.4	(8.1)	(19.6%)
Loans Fund Expenses	0.4	0.4	0.0	0.0%
Total Loans Interest Payments & Expenses	41.7	49.8	(8.1)	(19.4%)
Loans Funds Investment Income	(1.3)	(3.0)	1.7	130.8%
Total Loans Fund Interest Payments Investment Income & Expenses	40.4	46.8	6.4	(15.7%)
Loans Fund Advances Repayments	22.2	21.5	0.7	3.2%
Total Loans Fund Charges	62.6	68.3	5.7	(9.1%)

Table 12

9.16 The table above highlights a loan charge overspend of £5.7m compared to the prudential estimates for 2023/2024 taking into account treasury management activity, internal Interest on Revenue Balances (IORB) recharges due to increasing market interest rates, the loans fund holiday flexibility adopted in 2022/23 and the decisions of the Housing Committee and SCDG to reduce and reprofile the capital programme in response to the significant delivery challenges as per para 3.3.

9.17 Overall a treasury management overspend of £6.4m was incurred, primarily a reflection of increased internal IORB recharges of £14.8m, offset by reduced external loan interest payments of £6.7m and increased interest income received of £1.7m. This incorporated cashflow management techniques adopted, directing the timing of new borrowing, managing investment security, liquidity and interest rate risk and the identification of short-term borrowing opportunities.

9.18 The reduction in the Loans Fund advance repayments of £0.7m is primarily due to lower final outturn capital borrowing in 2022/23 than previously estimated.

9.19 The Council sets interest rate exposure limits to manage the Council's exposure to the effects of interest rate changes by limiting the amount of total loans whose interest rate is not fixed.

Table 13 shows the interest exposure at 31 March 2024. During 2023/2024 at no point were the limits breached with the average levels being below the upper limits for fixed rate exposure.

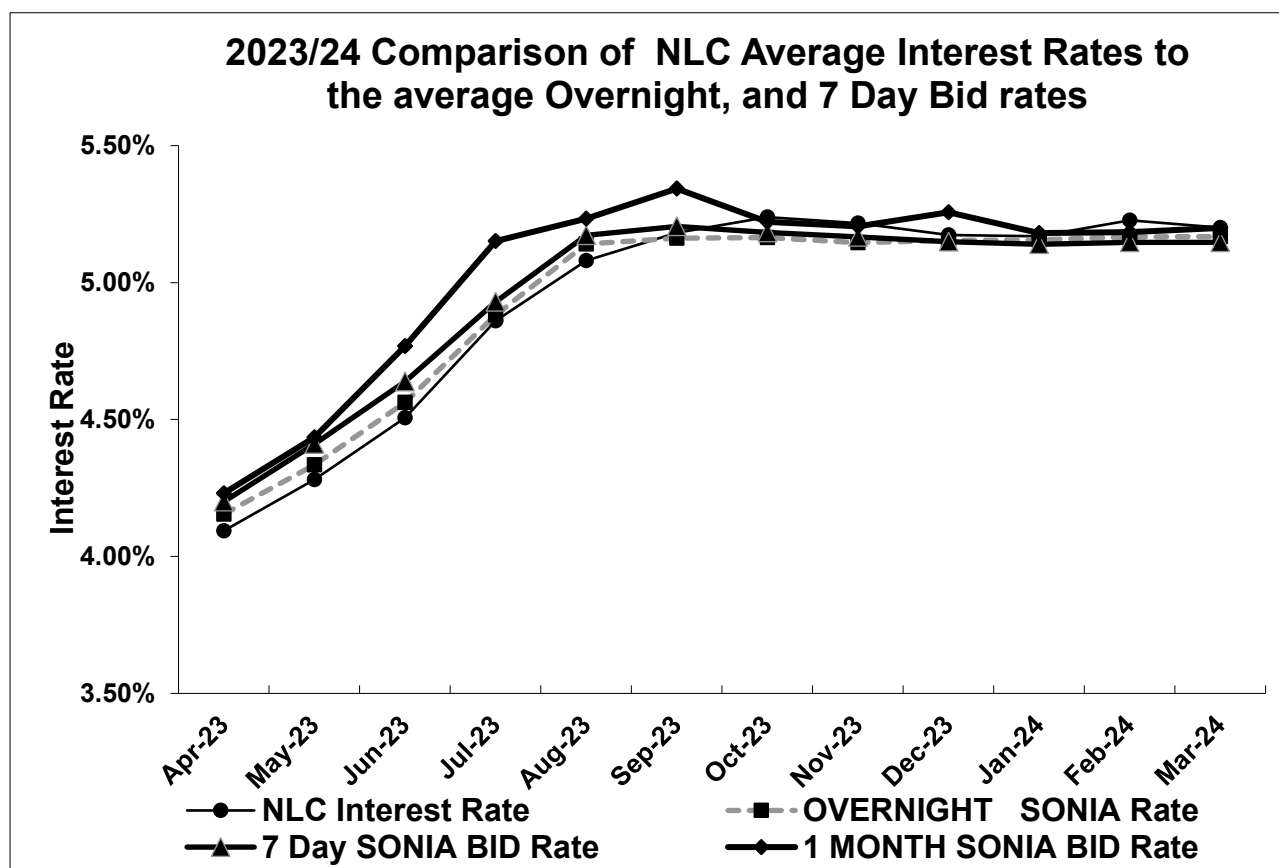
Maturity Structure of Borrowing	<12m	12m to 2yrs	2 to 5yrs	5 to 10yrs	10 to 20yrs	20 to 40yrs	>40 yrs
Upper Limit on Fixed Rate debt	15.0%	15.0%	25.0%	30.0%	35.0%	45.0%	30.0%
Lower Limit on Fixed Rate debt	0.0%	0.0%	5.0%	5.0%	5.0%	10.0%	5.0%
2023/2024 Average Profile	5.6%	4.7%	14.3%	18.5%	19.2%	32.8%	4.9%
Maturity Structure at 31/03/2024	5.7%	5.9%	16.9%	24.6%	15.2%	27.6%	4.1%

Table 13

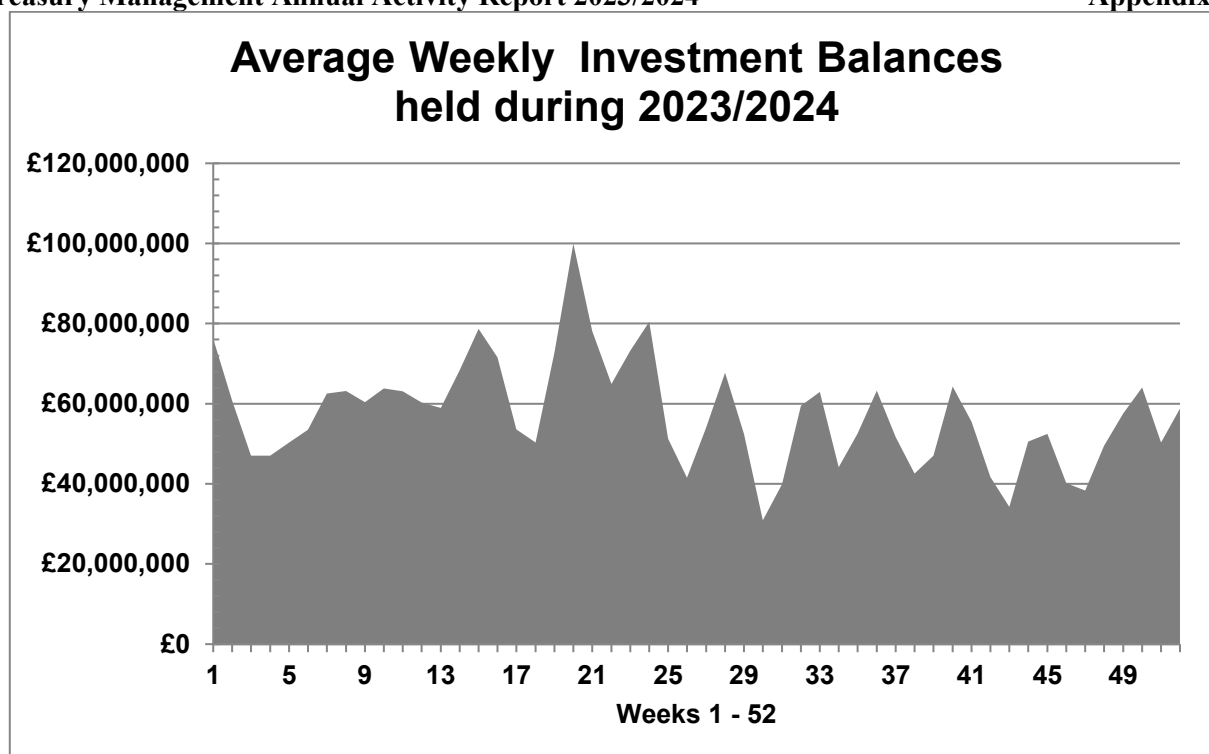
10. Temporary Funds Investment Performance

- 10.1 During 2023/2024 the primary principle governing Council investment criteria was the security of the investment. After this, the Council ensured that it held sufficient liquidity in its investments, carefully selecting the maximum periods for which funds could prudently be committed whilst also applying the Council's prudential and treasury management indicators covering the maximum principal sums invested.
- 10.2 The Council complied fully with the ratings criteria outlined within the 2023/2024 Treasury Management Strategy, minimising risk in this area by adopting a Lowest Common Denominator (LCD) approach having a criteria-based counterparty list. This restricted the Council to only using those counterparties that met a pre-determined credit-rating level, to which monetary limits were applied. This meant that the counterparty had to meet all the relevant rating requirements being assessed by its weakest set of ratings, rather than the strongest.
- 10.3 Throughout 2023/2024 the Council continued to utilise the research of the world's foremost providers of independent credit ratings (Fitch, Moody's and Standard & Poors). The ratings provided by these bodies define the likelihood of an investor such as the Council receiving their money back on the terms in which it was invested.
- 10.4 The credit ratings of counterparties were monitored regularly. The Council receives credit rating information from Arlingclose (the Council's advisors) as and when ratings change, and the counterparties are checked promptly. If a ratings change results in a counterparty failing to meet the Council's strict criteria they are removed immediately from the list. Similarly, if a counterparty rating is updated and they meet the Council's strict criteria they would be added to the list.
- 10.5 To supplement credit rating information the Council used other operational market information in line with good practice identified within the Code of Practice this includes:
- Credit Default swap prices
 - Quality financial press
 - Share prices
 - Government support status
 - Annual Reports
 - Statements to the market
- 10.6 In 2023/2024 the Council's borrowing strategy assisted in minimising counterparty exposure to the financial markets, the Council strategically deciding the timing of temporary borrowing and longer-term borrowing, taking into account the levels of liquidity in conjunction with efficient cashflow management techniques and balance sheet analysis.
- 10.7 The approved 2023/2024 Treasury Management Strategy enabled investment activity for a period up to a maximum limit of 364 days and for certain types of investment up to 30 years, for permitted investments per the investment strategy. In 'normal' market circumstances the Council, would identify its liquidity requirements and the core funds within its daily balances that could be locked in over a longer period, thus achieving the optimum performance, spreading investment periods and security of return, subject to the overriding credit counterparty security.

- 10.8 During 2023/2024, the Council, restricted its maximum investment periods to approximately three months, with in reality this period being even shorter. In terms of investment types the Council primarily deposited funds in call, instant access accounts and money market funds, dealing directly with approved UK financial institutions. These accounts offered greater liquidity whereby the Council is allowed instant access whilst still being offered relatively attractive interest rates compared to sector averages.
- 10.9 A comparison of North Lanarkshire Council investment performance for the period April 2023 to March 2024 is shown in the graph below.



- 10.10 As shown in the graph above, the overnight market bid rates rose steadily through the year in response to the increasing of the Bank of England Bank Rate which peaked at 5.25% August and remained at this level at the end of March. Short term investment rates peaked at 5.7% for 3-month rates and 6.7% for 12-month rates during the period, although these rates subsequently began to decline towards the end of the period. Money Market Rates also rose and were between 5.14 and 5.29% by the end of March 2024. As a result, the Council managed to achieve a positive return on its investments. With security and liquidity key factors considered when determining cash-flow requirements and investment opportunities, the Council only utilised overnight and very short-term investment options during 2023/24 using its approved counterparties. Despite this, the Council continued to demonstrate good performance levels in investment activity when compared to these reliable benchmarks for assessing performance on temporary investments.
- 10.11 During 2023/2024, positive cashflows enabled short-term investments in total of £1.678 billion to be undertaken whilst during the same period, £1.701 billion of short-term investments matured representing over £3.379 billion in investment activity.
- 10.12 The graph below shows the average level of investment balances held throughout 2023/2024, managed on a weekly basis in accordance with the investment strategy, adhering to the underlying principle of security liquidity and yield supported by robust cashflow management.



- 10.13 Investment balance levels, forming part of the cash and cash equivalents, are influenced by a number of factors. Liquidity is monitored in conjunction with the Councils cashflow management reporting system, to manage and forecast future cash balances available to support the investment and borrowing strategy.
- 10.14 The Council prides itself on its cashflow management approach with receipts and payments data recorded daily with forecasts of cash balances readily available. The cashflow incorporating actual and estimated diary entries for a number of variables including:
- Payments to Suppliers
 - Staff Salaries & Wages
 - General Government Grants
 - Precept Payments
 - Loan Repayments and Interest
 - Sales Fees & Charges
 - House Rents
 - Council Tax
 - DWP Payments
- 10.15 At 31 March 2024, the total balance of cash and cash equivalents amounted to approximately £75.6m, a decrease of £27.3m from last year's position. A detailed breakdown is provided below in Table 14, elements of which have been referenced throughout this report.

Cash and Cash Equivalents at 31/03/2023	£75.6m	
2023/2024 Borrowing for Capital Expenditure purposes	(£144.7m)	Cash Outflow
Repayments of Maturing Long-term debt	(£31.1m)	Cash Outflow
Finance Lease Principal repayments	(£7.3m)	Cash Outflow
Scheduled principal repayments from service departments	£28.8m	Cash Inflow
New Long-term borrowing	£150.0m	Cash Inflow
Increase/(Decrease) in Temporary borrowing (<1yr)	(£1.2m)	Cash Outflow
Increase/(Decrease) in Revenue Reserves & Cash Balances	(£21.8m)	Cash Outflow
Cash and Cash Equivalents at 31/03/2024	£48.3m	
Movement in year	(£27.3m)	

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- 10.16 Cash and cash equivalents are represented by cash in hand and deposits held with financial institutions repayable without penalty on notice of not more than 24 hours including call

accounts and money market funds. This also includes investments that mature in three months or less from the date of acquisition provided they are assessed as readily convertible to known amounts of cash with an insignificant risk of a change in value. The Council's bank overdraft is also included as this is treated as an integral part of the council's day to day cash management procedures.

11. Leasing

- 11.1 During 2023/24 the Council used external borrowing to fund its vehicle requirements with no vehicles, plant and equipment being acquired under operational leasing agreements in 2023/24.
- 11.2 At 31 March 2024, the Council is committed to making minimum lease payments of approximately £1.6m under finance leases with £0.3m due in the next 12 months. These payments comprise settlement of the long-term liability for the interest in the asset and the finance costs that will be payable by the Council in future years while the liability remains outstanding.
- 11.3 During the year, the Council, for the remaining operating leases for vehicles, plant and equipment, made actual payments of £3.9m, met from the revenue budget.

12. Soft Loans

- 12.1 Within the Council's 2023/2024 annual accounts, the Council has recorded a net amount receivable of £1.9m from service users receiving Social Care for which a charging order has been placed on the recipient's property as a method of recovering the debt.
- 12.2 For these amounts payable the Council is charging interest at less than the market rate applicable for similar advances and as such these balances are notionally recognised as soft loans. However, on grounds of materiality, no adjustment for loss of interest has been made to the balances reported within the annual accounts.

13. Financial Guarantee

- 13.1 In 2013/2014 the Council agreed to provide North Lanarkshire Properties LLP (NLP LLP) with a financial guarantee, underwriting the debt service costs of the NLP LLP loan of £45.0m to the lender, up to a limit of 80% of the total debt service costs. The Council considered the likelihood of the guarantee being called as minimal. However, the Council, in recognition of this financial guarantee made an initial provision of £1.1m which has now been fully redeemed.
- 13.2 During 2023/24, the Council agreed to provide a new financial guarantee to NLP LLP as part of re-financing arrangements undertaken by NLP LLP, with the Council providing similar underwriting of debt service costs, up to a limit of 80% of the total debt service costs of the new long-term facility of £30.0m. The Council considers the likelihood of the guarantee being called as minimal. However, the Council, in recognition of this financial guarantee has made an initial provision of £0.825m.
- 13.3 The financial impact upon the Council of providing this guarantee is negated as the Council has agreed with the NLP LLP that a premium is payable to the Council for providing this guarantee, paid in annual instalments, on a fair value basis, over the term of the loan, with £0.070m charged during 2023/24. The Council has therefore included a long-term debtor of £0.586m and a short-term debtor of £0.169m within the Balance Sheet to reflect this arrangement.

14. Treasury Management Advisory Service

- 14.1 During 2023/2024 the Council in line with the recommendations of the CIPFA Code of Practice for Treasury Management continued to use Arlingclose Ltd to provide, as required, additional specialist skills and resources in managing the Council's loan debt and investment portfolio including strategic, economic advice and assistance with the investment policy. The current contract expired on 30th July 2024 and the Council undertook a new procurement exercise. As a result, Arlingclose Ltd were re-appointed as TM advisors for a three-year period to 30th June 2027 with the Council having an option of a one-year extension thereafter.

15. Policy on Repayment of Loans Fund Advances 2023/2024

- 15.1 The Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016 within

Regulation 13 require the Council to make a loans fund advance equal to the amount of capital expenditure that the Council has determined will be financed by borrowing. The timing of the borrowing being in accordance with treasury management principles with the timing not informing when a loans funds advance has been made. The Capital Expenditure definition being that adopted by proper accounting practice, the statutory control framework and the Prudential Code.

- 15.2 The statutory guidance requires the Council to approve a policy on loans fund repayments each year. After carrying out an in-house review of the existing Loans Fund Advance Repayment Policy, in light of the legislation, towards the end of the financial year 2019/2020, it was decided that to support this exercise that the Council appoint Link Asset Services (LAS) to carry-out a fuller review of the Council's loan fund repayment model in 2020/21. LAS had specific expertise in this area and had carried out similar process for a number of other Scottish Local Authorities.
- 15.3 The main objective of the review was to explore options to re-profile loans fund repayments in order to assist with a prudent, sustainable and deliverable medium-term financial plan, whilst ensuring that the provision remains prudent and appropriate to the benefits that accrue to the community from the associated expenditure and is consistent with the prudential framework.
- 15.4 Following the review exercise being completed, a revised approach was recommended which was approved at the Finance and Resources Committee on the 26 November 2020 with further updates provided within the Treasury Management Strategy 2023/24 and Prudential Indicators 2023/2024 to 2025/2026 report approved at the Finance and Resources Committee on the 1 March 2023.
- 15.5 The revised approach adopts provisions within the 2016 Regulations which allow a local authority to subsequently vary either the period or the amount of the repayment (or both) if it considers it prudent to do so.

Loans Fund Repayment Holiday

- 15.6 The statutory arrangements for the repayment of borrowing in Scotland, requires the Council to make an annual repayment of debt which it considers prudent. As an exceptional measure the Scottish Government had confirmed they would allow Councils to take a loans fund repayment holiday, the maximum permitted being the planned repayment for 2022/23, which the Council would be required to repay within the period of the loan fund advance, but where the loan period exceeds 20 years, within 20 years.
- 15.7 This flexibility was confirmed through Finance Circular 5/2022 (Statutory Repayment of Debt – Short Term Financial Flexibility) which afforded the Council the flexibility to defer statutory repayment of loans fund advances payable within 2022/23. This flexibility resulted in a deferral of loan charges of £18.6m across General Fund and HRA and will be repaid depending on the specific loan advances by the shorter of either the remaining period of the loans fund advance, or a maximum of twenty years from the end of 2022/23. During 2023/24, £0.813m of additional loan charges were repaid as a result of the flexibility exercised in 2022/23.

16. Regulatory Framework, Risk and Performance

- 16.1 The Council's treasury management activities are regulated by a variety of professional codes and statutes and guidance.
- 16.2 The Local Government in Scotland Act 2003 (the Act) provides the powers to borrow and invest as well as providing controls and limits on this activity. The Act permits Scottish Ministers to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken (although no restrictions were made in 2021/2022).
- 16.3 Statutory Instrument (SSI) 29 2003 develops the controls and powers within the Act. The SSI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities. It also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services.
- 16.4 The Council continues to meet the conditions to opt up to professional status and has done so in order to maintain this MiFID II status. The Council's ability to opt up is due to it having an

investment balance of at least £10 million and the person(s) authorised to make investment decisions on behalf of the authority have at least a year's relevant professional experience and the expertise, experience and knowledge to make investment decisions and understand the risks involved. This status allows the Authority to access a greater range of products including money market funds, pooled funds, treasury bills, bonds and shares.

- 16.5 The Council has complied with all of the above relevant statutory and regulatory requirements. This limits the levels of risk associated with its treasury management activities. In particular, its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means that its capital expenditure is prudent, affordable and sustainable and its treasury practices demonstrate a low-risk approach.
- 16.6 The Council is aware of the risks of passive management of the treasury portfolio and has proactively managed its treasury management position. The Council has continued to monitor movements in interest rates and has complied with its internal and external procedural requirements. There is little risk of volatility of costs in the current debt portfolio as the interest rates are mainly fixed, however new borrowing to support capital investment will result in higher borrowing costs due to increasing interest rates. Shorter-term rates and likely future movements in these rates predominantly determine the Council's investment return. Since these returns can be volatile, accurately forecasting future returns can be difficult and the treasury management section monitor and manage the surplus balances available for investment by efficient cashflow and liquidity management.
- 16.7 Overall the approach adopted by the Council's Treasury Management section throughout the year under review met the key requirements of the 2023/2024 Treasury Management Strategy with the performance and results described above demonstrating the effectiveness of the Council's Treasury Management activity.

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☐ Yes ☒ No

Ref EK/KS/FC

Date

11/09/24

2023/24 Annual Outturn

From Elaine Kemp, Chief Officer (Finance)

E-mail KempE@northlan.gov.uk

Telephone

07939 280 601

Executive Summary

The purpose of this report is to inform Committee that the annual statutory accounts of the Council for the year ended 31 March 2024 were reported to the Audit and Scrutiny Panel at its meeting of 27 June and subsequently submitted to the Council's External Auditors, Audit Scotland, by the statutory date of 30 June before being published on the Council's website.

This report also updates Committee on the overall position for the General Fund Account and explains any major variations against the Council's annual budget for the year 2023/24.

An overall summary on the Housing Revenue Account is also provided.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledge the contents of the report.

The Plan for North Lanarkshire

Priority All priorities

Ambition statement (25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning

Programme of Work Statutory / corporate / service requirement

1. Background

- 1.1. The Annual Accounts demonstrate the Council's stewardship of the public funds with which it is entrusted. The Annual Accounts are prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom. The Local Authority Accounts (Scotland) Regulations, require the Council to submit a set of unaudited accounts to its external auditors, Audit Scotland, by 30 June following the end of the financial year.

- 1.2. In addition, the Council's approved Financial Regulations require Council Services to remain within the approved budgetary provision, and to report all significant deviations within their budget monitoring reports.

2. Report

- 2.1 The 2023/24 Unaudited Accounts were presented to Audit and Scrutiny Panel on 27 June 2024. Following the meeting the accounts were submitted formally to Audit Scotland and subsequently published on the Council's website for public inspection.
- 2.2 The General Fund outturned with a surplus of £34.021m which has been added to the surplus of £249.872m brought forward from 2022/23, resulting in an overall surplus to be carried forward into 2023/24 of £283.893m.
- 2.3 The carried forward General Fund Surplus is represented by £19.358m held in the Change Management Fund in order to provide for the anticipated one-off costs of approved savings, £226.331m of earmarked funds held for specific future service commitments and a balance of £8.000m maintained as the approved contingency fund. This leaves an unallocated balance of £30.204m.

2024/25 Earmarked Funds	£m	£m
Change Management Fund		19.358
Schools Future Contractual Obligations	60.968	
Strategic Capital Investment Programme	44.800	
Loans Charges – One-off Mitigation	17.905	
Strategic Workforce Planning	17.902	
Refugee Resettlement Programmes	8.324	
2024/25 – 2026/27 Budget One-off Use of Balances	8.119	
Temporary Accommodation	8.038	
Early Years & Childcare Expansion	5.213	
One Workforce Grading Pressures	5.000	
Whole Family Wellbeing	4.417	
Unmanaged burdens within Education, Children & Families	4.234	
Balances held by Schools under Devolved School Management	2.655	
Mobilisation of Strategic Contracts	2.179	
Pupil Equity Fund	2.153	
Shared Prosperity Grants	1.753	
Business Gateway and Business Recovery	1.697	
Economic Recovery	1.519	
Winter Reserve	1.500	
Teacher Induction Scheme Support	1.302	
Digital NL	1.222	
Temporary Teachers	0.823	
Other Earmarked Funds	24.608	226.331
Contingency Reserve		8.000
Unallocated Balance		30.204
General Fund Surplus as at 31 March 2024		283.893

- 2.4 The last reported position for the year to the Business Management Team indicated a General Fund forecast surplus of £17.658m. When compared with a final outturn surplus of £34.021m there has been a movement of £16.363m. This is largely

represented by the use of 2023/24 earmarked reserves of £68.737m which includes the £17.675m use of balances approved as part of the 2023/24 budget setting process. This is offset by approved earmarked reserves for use in future years of £43.221m. Further to this, the movement includes an increased surplus due to a change in accounting treatment in relation to Service Concession arrangements of £44.800m. This leaves a further movement from the provisional outturn position of £2.921m which relates to a number of smaller movements across all services.

- 2.5 In addition, the Housing Revenue Account (HRA) reported a £4.423m deficit position at provisional outturn. This position differs from the final outturn of £9.498m deficit which recognises the use of earmarked reserves in year of £5.075m. The in-year deficit has reduced the balance brought forward resulting in a cumulative surplus of £16.820m. Of this surplus, £11.675m has already been approved for specific purposes including £3.702m for Additional Loan Charges and £1.306m for Council Ambition. Adjusting for the £1.742m contingency fund, leaves an unallocated balance of £3.403m.

3. Measures of success

- 3.1 The Council continues to operate within approved budgeted resources.

4. Supporting documentation

None.



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
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5.6	Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)? Yes <input type="checkbox"/> No <input type="checkbox"/>
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5.10	Armed Forces Covenant Duty Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.
5.11	Children's rights and wellbeing impact Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC). If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out? Yes <input type="checkbox"/> No <input type="checkbox"/>

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☐ Yes ☒ No

Ref EK / GT

Date

11/09/24

Revenues and Benefits Update

From Elaine Kemp, Chief Officer (Finance)

E-mail kempe@northlan.gov.uk

Telephone

07939 280601

Executive Summary

This report provides an update on the performance within the Revenues and Benefits functions of Finance as at 30 June 2024.

Key points to note include:

- As at 31 June 2024, 29.02% of Council Tax due for 2024/25 had been collected. This is an increase of 0.13% from the same period last financial year.
- Non-Domestic Rates collection at 30 June 2024 is 20.63% of the total annual charge which is in line with the previous financial year (20.65%).
- The service continues to meet statutory timescales for administering benefits applications and changes of circumstance.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledge the content of the report.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(21) Continue to identify and access opportunities to leverage additional resources to support our ambitions
Programme of Work	Statutory / corporate / service requirement

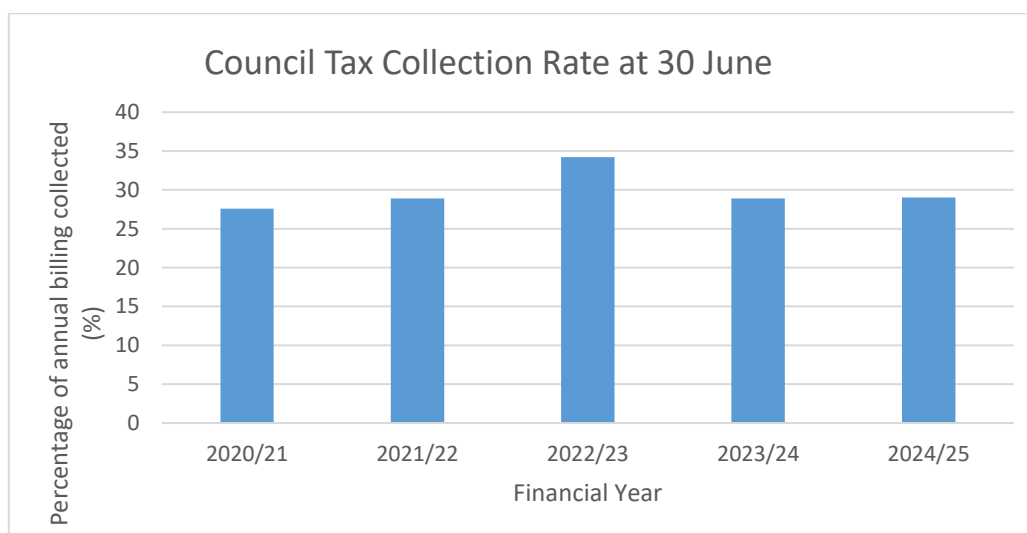
1. Background

- 1.1 The Finance service is responsible for the administration and collection of all local taxation in North Lanarkshire in the form of Council Tax and Non Domestic Rates.
- 1.2 In addition, the service administers a number of benefits for residents of North Lanarkshire including Housing Benefit, Council Tax Reduction, Scottish Welfare Fund, Discretionary Housing Payment, Free School Meals and Clothing Grants.

2. Report

Council Tax

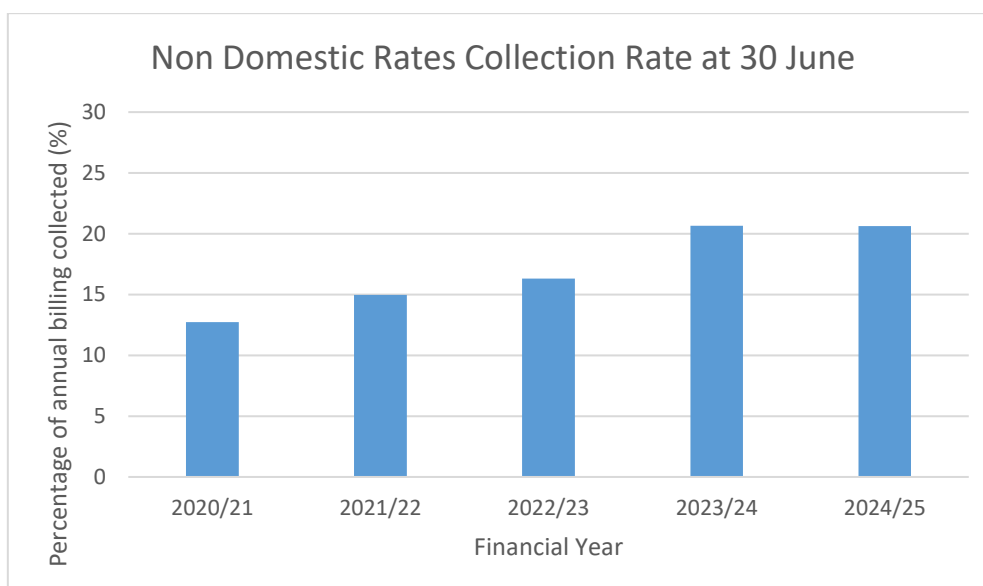
- 2.1 The graph below shows the cash collected at 31 June for each financial year. It is worth noting that cash is allocated to specific Council Tax years so the graph represents cash received against the initial billing year (i.e. billed and received in 2024/25) and does not include cash collected in subsequent years (i.e. billed in 2023/24 but received in 2024/25). This ensures a like for like comparison.



- 2.2 The collection figure to 30 June in the 2024/25 financial year of 29.02% is 0.13% higher than the same period last financial year.
- 2.3 It should be noted that in-year collection of Council Tax is a Statutory Performance Indicator. However, it does not reflect the overall collection rate of Council Tax which includes collection of prior year arrears. This latter measure has a greater bearing on the Council's finances and is reflected in the regular budget monitoring reports to Committee.

Non-Domestic Rates

2.4 The following graph shows the cash collected at 30 June for each financial year:



2.5 The collection figure to 30 June in the 2023/24 financial year is 20.63%. This is a marginal decrease of 0.02% compared to the same time period in 2023/24.

Housing Benefits

2.6 The data below highlights the Statutory Performance Indicators measuring the speed of processing for new Housing Benefit claims and for changes in circumstances. The table below shows the cumulative figures for the 2024/25 financial year.

Days to Process	2023/24	2024/25	Latest available Scottish average
New Claims	16	12	17
Change of Circumstances	9	9	7

2.7 The service continues to perform well in the speed of processing for new claims compared to the most recent Scottish average. The speed and accuracy of professing has been commented on positively by the Department for Work and Pensions during recent liaison discussions.

2.8 The service also continues to meet statutory requirements for the speed of processing changes of circumstance. To further improve efficiency the service is progressing a number of digital related improvements such as development of the Landlord Portal and robotic process automation for a number of high-volume tasks. The Landlord Portal has recently gone live; therefore, it is anticipated that this action will see an improvement in the handling of correspondence received direct from landlords

Council Tax Reduction Scheme

- 2.9 As at 30 June 2024 a total of £26.278m in Council Tax Reduction has been awarded for the 2024/25 financial year. This compares to £25.852m to the same period during 2023/24, representing an increase of £0.426m (1.65%).
- 2.10 The service received 1,862 applications between 1 April and 30 June 2024 compared with 1,965 during 2023/24, representing a decrease of 5.2%
- 2.11 The service received an increased number of notifications for changes in circumstances. From 1 April to 30 June 2024 a total of 44,951 changes were processed compared to 35,755 for the previous financial year; an increase of 25.7%.

Discretionary Housing Payments (DHP)

- 2.12 From 1 April 2017 funding for DHP has been devolved to Scottish Government. This funding supports both the Scottish Government's commitment to fully fund the implications of the Bedroom Tax and an additional sum available for other reasons such as the Benefit cap and the restrictions on Local Housing Allowance rates.
- 2.13 From 1 January 2023 the Scottish Government is fully funding the implications of mitigating the benefit cap. This was announced as part of the tackling child poverty delivery plan 'Best Start, Bright Futures' in March 2022. Local authority Leaders have agreed to fuller benefit cap mitigation through the DHP scheme from 1st January 2023. For 2024/25 the Scottish Government has provided ring-fenced funding of £0.436m to mitigate the benefit cap. As at 30 June, the amount paid and committed in respect of the benefit cap was £0.037m.
- 2.14 As at 30 June 2024 the total paid and committed in respect of Bedroom Tax was £5.581m. In comparison, this sum was £5.135m at the same point during 2023/24.
- 2.15 In addition the Council also receives £0.460m in respect of non-bedroom tax related issues. An additional £0.051m has been received for 2024/25 due to a redistribution of collective unused funds for 2023/24 bringing the total budget to £0.511m. As at 30 June 2024 £0.190m (327%) has been paid or committed from the fund.
- 2.16 As in previous years, the service will continue liaising with colleagues in Housing and Housing Associations to encourage applications to the fund. In addition, the service will also liaise with Universal Credit claimants affected by the benefit cap who could possible be eligible for the mitigation.

Scottish Welfare Fund

- 2.17 The Council has administered the Scottish Government's Scottish Welfare Fund (SWF) since 1 April 2016.
- 2.18 The Scottish Government provides an annual award budget of £2.760m to North Lanarkshire Council. As highlighted at the previous Committee, now that additional one-off funding has been exhausted the service has started the 2024/25 financial year assessing applications at High priority. This means that applications will only be considered where there is immediate and severe need, applicants are highly vulnerable, where there will be significantly adverse impacts to health and wellbeing with a no grant award and where the effect of the grant is immediate and substantial. Staff assessing Scottish Welfare Fund applications are highly trained in making these

judgements in accordance with the statutory guidance and where an application is unsuccessful they will signpost the applicant to other community based supports.

- 2.19 There are two grant schemes and their relative performance during 2024/25 and prior year comparison is as follows:

2024/25

	Applications Assessed	Awards	Unsuccessful Applications	Acceptance Rate
Crisis Grants	5,077	3,757	1,320	74.0%
Community Care Grants	1,444	1,015	429	70.3%
Total	6,521	4,772	1,719	73.2%

2023/24

	Applications Assessed	Awards	Unsuccessful Applications	Acceptance Rate
Crisis Grants	4,940	3,411	1,529	69.0%
Community Care Grants	1,533	1,143	390	74.6%
Total	6,473	4,554	1,919	70.4

- 2.20 As at 30 June 2024, the total financial value of grants paid from the Scottish Welfare Fund amounted to £1.061m which represents 39.2% of the total budget for the current financial year. To reduce the risk of an overspend the service may have to consider moving to assess applications at High and Most Compelling priority during the current financial year in accordance with Scottish Government guidance.
- 2.21 During 2024/25, the Scottish Welfare Fund has seen an increase in demand for Crisis applications of 2.8% but a reduction in demand at this staff in Community Care Grant applications of 5.8%.
- 2.22 The Service strives to assess applications within the timescales outlined within Scottish Government guidance. Throughout the period the service has continued to assess Crisis applications within the two working day time limit. It has been more challenging to meet the 15 working day time limit for Community Care Grants with the service currently assessing applications outwith that timeframe, however, the service fastracks applications linked to homelessness to support the wider Rapid Rehousing and Homes First strategies.

Clothing Grants and Free School Meals

- 2.23 The Finance service administers Clothing Grant payments and applications for Free School Meals on behalf of the Council for families meeting low-income eligibility criteria.
- 2.24 Up to 30 June 2024 the service administered and paid out 8,283 Clothing Grants compared to 5,723 by the end of June 2023. This increase of 44.7% compared to the same period last year is as a result of the joint work between the Finance service and Business and Digital to develop an online form to make the application process more straightforward and the introduction of robotic process automation which reduces the level of manual checking required by staff. As a result, the service has been able to administer a substantial increase in the number of claims for the start of the school summer holidays.

- 2.25 Similarly, the Service has awarded 6,673 Free School Meal applications to 30 June 2024 compared to 4,943 to the same period in 2023; an increase of 35.0%. Again, this improvement in processing performance is attributable to the development of improved digital solutions.

Blue Badges

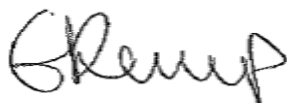
- 2.26 The Finance service administers the Blue Badge scheme in accordance with Scottish Government guidance. The eligibility criteria means that some are automatically entitled to a Blue Badge. In other cases, the Council assesses an individual's eligibility which may include the requirement for a mobility assessment and meeting a healthcare professional.
- 2.27 As at 30 June 2024, the service administered 3,053 Blue Badge applications with 2,572 awarded. Over the same period in the 2023/24 financial year the service administered 2,359 applications with 1,838 awarded.
- 2.28 Scottish Government guidance states that applicants should receive a decision on their application in around 12 weeks. The Council is currently reaching a decision within 6 weeks.

3. Measures of success

- 3.1 Continuous improvement in processing and collection rates.

4. Supporting documentation

None



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
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5.6	Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? The Service has been liaising with Business and Digital on the Landlord Portal and RPA developments and these will be managed in line with Business and Digital's available resources. Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☐ Yes ☒ No

Ref EK/KS

Date

25/07/24

Review of 2024/25 to 2026/27 Budget Savings

From Elaine Kemp, Chief Officer (Finance)

E-mail KempE@northlan.gov.uk

Telephone

07939 280 601

Executive Summary

This report provides the Finance and Resources Committee with an update on the achievement of the three-year financial savings total of £28.778m approved as part of the 2024/25 budget setting process (£21.667m 2024/25, £5.893m 2025/26 and £1.218m 2026/27).

It is projected that £20.245m of the 2024/25 savings (93%) will be delivered within the financial year, with replacement savings identified to fully address the shortfall of £1.422m. In addition, it is currently anticipated that there will be no recurring savings gap arising from the 2024/25 to 2026/27 approved savings.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledge the contents of this report.

The Plan for North Lanarkshire

Priority All priorities

Ambition statement (25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning

1. Background

- 1.1. At its meeting of 15 February 2024, the Council approved a General Fund Revenue Budget of £1,016.750m which included spend offset by ring fenced grants of £15.290m. Additional funding has since been confirmed as part of the Scottish Government budget setting resulting in an overall total budget of £1,009.485m.
- 1.2. Net savings totalling £28.096m over the financial years 2024/25 to 2026/27 were agreed within the budgets set on 23 February 2023 and 15 February 2024, with £21.195m incorporated into the 2024/25 budget and the balance £6.901 over 2025/26

and 2026/27. In addition, base budget adjustments of £0.682m have also been agreed over the three-year period, £0.472m of which will be realised in 2024/25.

- 1.3. Services are required to monitor the delivery of their target savings to ensure they remain within approved budgets and provide periodic progress updates within individual Service revenue monitoring reports, identifying alternative solutions to any in-year shortfall envisaged. In addition, Services are required to monitor whether the original approved saving has been implemented and if not, provide an explanation along with alternative action required to ensure the recurring financial saving will be achieved going forward.
- 1.4. This report summarises the progress in achieving approved savings for the three-year period 2024/25 to 2026/27.

2. Report

Update on Approved 2024/25 to 2026/27 Savings


- 2.1 A summary of the three-year approved savings is provided at appendix 1 along with the current forecast of savings achievable for each of the years.
- 2.2 It is currently anticipated that £20.245m (93%) of approved 2024/25 savings of £21.667m will be achieved in the current financial year, leaving an in-year savings gap of £1.422m. Replacement savings and funding has been identified to fully address the shortfall, which includes management action such as control of vacancies, curtailment of expenditure and the use of Earmarked Reserves. More information on the savings unachievable within 2024/25 are detailed at appendix 2, with more information reported to the relevant service committee. It should be noted that there is no anticipated recurring budget impact as a result of the in-year savings gap.
- 2.3 At this stage there is no anticipated delay or shortfall expected in relation to future year savings, however these will continue to be monitored with updates reported to Committee as appropriate.

3. Measures of success

- 3.1 The Council continues to operate within approved budgeted resources.

4. Supporting documentation

Appendix 1 Approved 3 Year Savings Summary
Appendix 2 Budget Savings by Exception 2024/25



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>
5.6 Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?

	<p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
5.7	<p>Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.8	<p>Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.9	<p>Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p>
5.10	<p>Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
5.11	<p>Children's rights and wellbeing impact</p> <p>Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

Appendix 1
North Lanarkshire Council
Approved 3 Year Savings Summary
Service Savings Monitoring

Service	2024/25				2025/26				2026/27				TOTAL			
	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m
Chief Executive's	1.707	1.707	0.000	0.000	0.593	0.593	0.000	0.000	0.734	0.734	0.000	0.000	3.034	3.034	0.000	0.000
Enterprise & Communities	3.649	3.564	0.085	0.000	0.557	0.557	0.000	0.000	0.266	0.266	0.000	0.000	4.472	4.387	0.085	0.000
Education, Children & Families	9.595	8.258	1.337	0.000	4.743	4.743	0.000	0.000	0.218	0.218	0.000	0.000	14.556	13.219	1.337	0.000
Other Corporate	6.716	6.716	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.716	6.716	0.000	0.000
Total Service Savings	21.667	20.245	1.422	0.000	5.893	5.893	0.000	0.000	1.218	1.218	0.000	0.000	28.778	27.356	1.422	0.000

Appendix 2
North Lanarkshire Council
Review of Budget Savings by Exception 2024/25

Service	Division	Saving Detail	2024/25			
			Approved Saving £m	Projected Savings £m	In Year Savings Gap £m	Recurring Gap £m
E&C	Community Operations	Charging for Recycling Bins	0.210	0.175	0.035	0.000
E&C	Community Operations	Income Generation - Fleet Tachograph	0.050	0.000	0.050	0.000
ECF	Early Years	Review of ELC: Single Status Employee Resources	2.000	0.750	1.250	0.000
ECF	Education Services HQ	Contracts and Provisions (Under-utilised budgets)	0.045	0.000	0.045	0.000
ECF	Community Learning	Review of CLD delivery service, including the provision of youth diversionary activities	0.163	0.121	0.042	0.000
		Total Savings	2.468	1.046	1.422	0.000

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☒ Yes ☐ No

Ref EK/NS

Date

11/09/24

General Debtors Write-Off 2024/25

From Elaine Kemp, Chief Officer (Finance)

E-mail kempe@northlan.gov.uk

Telephone

01698 302408

Executive Summary

The purpose of this report is to present to Committee a summary of outstanding debtor accounts which are deemed uncollectable following all attempts at recovery or are not economically viable to pursue. In accordance with financial guidelines a bad debt provision has previously been established for the outstanding accounts highlighted in the report.

The total recommended for write-off for 2024/25 is £107,117.79.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledges the decision of the Chief Officer (Finance) under delegated responsibilities to write off £8,748.65 for debts under £500.
- (2) Approve the write off of all items over £500 to the value of £98,369.14.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(21) Continue to identify and access opportunities to leverage additional resources to support our ambitions
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 The Council issues invoices annually with an approximate value of £110m. Of this approximately £6.8m relates to Financial Solutions, which mainly consists of: -
- Strategy & Corporate Resources;
 - Home Insurance; and
 - Housing Benefits Overpayments
- 1.2 Every effort is made to recover any unpaid debt including reminder letters, the use of collection agents and legal action. However, despite these steps there are a number of debts that are deemed uncollectible or are considered not economically viable to engage further collection activities and costs. This annual process conforms to Best Practice and is underpinned by a systematic approach to recovery and a realistic assessment of the expected collection of outstanding balances.
- 1.3 There will continue to be an appraisal of the outstanding balances to assess those which are deemed uncollectible.

2. Report

- 2.1 An analysis of the outstanding balances has been conducted and £107,117.79 has been identified as uncollectable. The write-off can be analysed and compared to the prior year as shown in the table 1 below:

Table 1

	2022/23	2023/24
Benefit Overpayment	£328,442.06	£107,117.79
Other Services	£54,125.00	£0.00
Total	£382,567.06	£107,117.79

- 2.2 The Chief Officer (Finance) has exercised powers under the Scheme of Delegation to write-off those balances which are under £500, which represents £8,748.65 of the sum identified in paragraph 2.1.
- 2.3 The write off figure in 2022/23 was reflective of the increased det recovery activity following the height of the Council's covid response therefore the reduced value for 2023/24 is comparable to the proposed write offs in previous years.
- 2.4 There are a number of reasons why the outstanding balances are being written off and these are summarised below: -
- a) Deceased. The debtor is deceased and there have been insufficient funds within the estate to meet the sum due.
 - b) Liquidation/Sequestration. The debtor/business has been liquidated/sequestered etc., and there is no prospect of recovery of funds.
 - c) No Trace/Gone Away. The debtor has been unable to be located and there is no prospect of recovery of funds.
 - d) Small Balances/Uneconomical to pursue. There are insufficient funds or no realisable assets that are available to meet the debt and it is uneconomical to continue to seek recovery of the sum due.

- e) Recovery Exhausted. There are insufficient funds or no realisable assets that are available to meet the debt and all appropriate recovery opportunities have been exhausted.

2.5 Table 2 categorises the value of debt recommended for write off by cause and value:

Table 2

Cause Analysis	Total £	Number of Accounts
Deceased	4,487.25	5
Liquidation/Sequestration etc.	14,488.02	12
Gone Away/No Trace	868.65	2
Small Balance/Uneconomic to pursue	185.84	9
Recovery Exhausted	87,088.03	53
Total	107,117.79	81

2.6 Whilst approval is sought to write-off the sums within our financial systems the Council will continue to monitor the situation and if circumstances change then recovery of the sums due will be reassessed.

3. Measures of success

3.1 Debt recovery will remain a priority for the service however where necessary adequate provisions will be made for uncollectable debt to ensure there is no budgetary impact.

4. Supporting documentation

Not applicable



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1	<p>Public Sector Equality Duty and Fairer Scotland Duty</p> <p>Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
5.2	<p>Financial impact</p> <p>Does the report contain any financial impacts?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, have all relevant financial impacts been discussed and agreed with Finance?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>There are no additional financial implications for the current year because a corresponding bad debt provision has been included in previous year's accounts.</p>
5.3	<p>HR policy impact</p> <p>Does the report contain any HR policy or procedure impacts?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, have all relevant HR impacts been discussed and agreed with People Resources?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.4	<p>Legal impact</p> <p>Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.5	<p>Data protection impact</p> <p>Does the report / project / practice contain or involve the processing of personal data?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, is the processing of this personal data likely to result in a high risk to the data subject?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

5.6	Technology / Digital impact
Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
5.7	Environmental / Carbon impact
Does the report / project / practice contain information that has an impact on any environmental or carbon matters?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.8	Communications impact
Does the report contain any information that has an impact on the council's communications activities?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.9	Risk impact
Is there a risk impact?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?	
5.10	Armed Forces Covenant Duty
Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.	
5.11	Children's rights and wellbeing impact
Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).	
If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☒ Yes ☐ No

Ref FW / LB

Date

11/09/24

General Debtors Write-Off 2024/25 – People Resources

From Fiona Whittaker, Chief Officer (People Resources)

E-mail whittakerf@northlan.gov.uk

Telephone 01698 520629

Executive Summary

The purpose of this report is to present to Committee a summary of outstanding debtor accounts which are deemed uncollectible following all attempts at recovery or are not economically viable to pursue for the People Resources service.

The total value of these accounts is £57,175.56.

In accordance with financial guidelines a provision for expected credit losses has previously been established for the outstanding accounts highlighted in the report.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledges the decision of the Chief Officer (People Resources) write-off debts totalling £14,036.53 under delegated responsibility for debts under £500.00.
- (2) Approves the write-off of £43,139.03 which includes debts greater than £500.00.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(21) Continue to identify and access opportunities to leverage additional resources to support our ambitions
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 During 2023/424, the council issued invoices with an approximate value of £7 million.
- 1.2 The Employee Service Centre process employee transactions on behalf of all services. They create debtors accounts for payments outstanding for employees that are leavers.
- 1.3 In conjunction with the corporate debt recovery team, every effort is made to recover any unpaid debt including reminder letters, the use of collection agents and legal action.
- 1.4 However, despite these steps there are a number of debts that are deemed uncollectable or are considered not economically viable to engage further collection activities and costs. The annual process of assessing the likelihood of debt non recovery conforms to accepted best accounting practice and is a reasonable assessment of expected income.
- 1.5 The Council will continue to seek collection of the outstanding balance if the circumstances of the debtor alter, and recovery is deemed practical.

2. Report

- 2.1 Analysis of the outstanding balances has been conducted and £57,175.56 has been identified as uncollectable.
- 2.2 There are several reasons why the outstanding balances are being written off and these are summarised below: -
 - a. Recovery exhausted. There are insufficient funds or no realisable assets that are available to meet the debt and all appropriate recovery opportunities have been exhausted.
 - b. Small Balances/Uneconomic to pursue. There are insufficient funds or no realisable assets that are available to meet the debt and it is uneconomic to continue to seek recovery of the sum due.
 - c. Deceased. The debtor is deceased and there have been insufficient funds within the estate to meet the sum due.
 - d. No Trace / Gone Away. The debtor has been unable to be located and there is no prospect of recovery of funds.
- 2.3 The following table categorises the value of the debt recommended for write-off by cause and value:

Cause Analysis	Total £	Number of Accounts
Recovery exhausted	46,121.70	92
Uneconomical to pursue	1,500.05	19
Deceased	3,658.26	2
Gone away	5,895.55	5
Totals	57,175.56	118

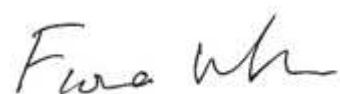
Value Analysis		
Under £500.00	14,036.53	85
Over £500.00	43,139.03	33
Totals	57,175.56	118

- 2.4 The value of accounts identified for write-off represents a small proportion of the accounts raised annually by the Employee Service Centre.
- 2.5 The total accounts identified for write-off represents a small proportion of the accounts raised annually by the Council (less than 1%).

3. Measures of success

- 3.1 Debt recovery will remain a priority for the service however where necessary adequate provisions will be made for uncollectable debt to ensure there is no budgetary impact.

4. Supporting documentation
N/A.



Fiona Whittaker
Chief Officer (People Resources)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? There are no additional financial implications for the current year because a corresponding provision for expected credit losses has been included in previous year's accounts.
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
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5.6	Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)? Yes <input type="checkbox"/> No <input type="checkbox"/>
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5.9	Risk impact Is there a risk impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?
5.10	Armed Forces Covenant Duty Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.
5.11	Children's rights and wellbeing impact Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC). If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out? Yes <input type="checkbox"/> No <input type="checkbox"/>

North Lanarkshire Council Report

Housing Committee

Does this report require to be approved?

☒ Yes ☐ No

Ref GT / WO24

Date

28/08/24

General Debtors Write-Off 2024

From Andrew McPherson, Depute Chief Executive

E-mail mcphersona@northlan.gov.uk **Telephone** 07939 280467

Executive Summary

This report presents a summary of outstanding debtor accounts which are deemed uncollectable following all attempts at recovery or are considered uneconomically viable to continue pursuing. In accordance with financial guidelines a provision for expected credit losses has previously been established for the outstanding accounts.

The total recommended for write-off for 2024/25 is £381,854.74.

Recommendations

It is recommended that the Housing Committee:

- (1) Acknowledges the decision of the Depute Chief Executive and Chief Officer (Finance) to write-off debts under £500.00 totalling £194,241.54 under delegated responsibility;
- (2) Approves the write-off of all items over £500.00 to the value of £187,613.20; and
- (3) Remits this report to the Finance and Resources Committee.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(21) Continue to identify and access opportunities to leverage additional resources to support our ambitions
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 During 2023/14 the Council issued invoices with an approximate value of £116.706m.
- 1.2 Within Enterprise and Communities there are a number of chargeable services including:
 - Building cleaning
 - Fleet

- Waste Collection and Disposal
- Burials
- Land rental charges
- Rechargeable property repairs, and
- Owner / occupier recharges.

- 1.3 The value of Enterprise and Communities invoices raised during the 2023/24 financial year was £47.852m. In conjunction with the corporate debt recovery team, every effort is made to recover any unpaid debt including reminder letters, the use of collection agents and legal action.
- 1.4 However, despite these steps there are a number of debts that are deemed uncollectible or are considered not economically viable to engage further collection activities and costs. This annual process of assessing the likelihood of debt nonrecovery conforms to accepted best accounting practice and is a reasonable assessment of expected income.
- 1.5 The Council will continue to seek collection of the outstanding balance if the circumstances of the debtor alter and recovery is deemed practical.

2. Report

- 2.1 Analysis of the outstanding balances has been conducted and £504,654.30 has been identified as uncollectable.
- 2.2 There are a number of reasons why the outstanding balances are being written off and these are summarised below:-
- Deceased. The debtor is deceased and there have been insufficient funds within the estate to meet the sum due.
 - Liquidation/Sequestration. The debtor/business has been liquidated/sequestered etc, and there is no prospect of recovery of funds.
 - No Trace/Gone Away. The debtor has been unable to be located and there is no prospect of recovery of funds.
 - Small Balances/Uneconomic to Pursue. There are insufficient funds or no realisable assets that are available to meet the debt and it is uneconomic to continue to seek recovery of the sum due.
- 2.3 The following tables categorise the value of debt recommended for write-off by cause and value:

Cause Analysis	Total £	Number of Accounts
Deceased	34,704.57	43
Liquidation / Sequestration	5,387.73	3
Gone Away / No Trace	37,009.43	75
Small Balances / Uneconomical to Pursue	127,628.98	950
Recovery Exhausted	177,124.03	559
Total	381,854.74	1,630

Value Analysis	Total £	Number of Accounts
< £500.00	194,241.54	1,497
> £500.00	187,613.20	133
Total	381,854.74	1,630

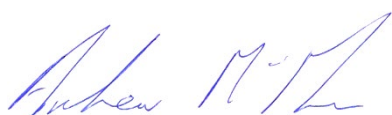
- 2.4 The value of accounts identified for write-off represents a small proportion of the accounts raised annually by Enterprise and Communities (approximately 0.80%). This is reflective of a number of strategies adopted by the service including payment in advance for services, where possible, withdrawal of services for non-paying debtors, facilitating payment by direct debit and, where appropriate, payment arrangements.
- 2.5 For comparison purposes, the total write-offs approved for Enterprise and Communities over the last three years were £282,580.61 for 2021, £462,352.29 for 2022 and £504,654.30 for 2023.

3. Measures of success

- 3.1 The Service continues to engage in a number of activities aimed at improving collection rates, reducing debt arising and streamlining the recovery process. These include:
- Application of the approved Debtors Policy and associated debt recovery procedures
 - Performance management reports
 - Payment arrangements
 - Payment by direct Debit
 - Payment in advance, and
 - Cessation of service provision
- 3.2 The Council will continue to seek collection of the outstanding balance if the circumstances of the debtor alter and recovery is deemed practical.

4. Supporting documentation

Not applicable



Andrew McPherson
Depute Chief Executive

5. Impacts

<p>5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.2 Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>There are no additional financial implications linked to this report for the current financial year because a corresponding provision for expected credit losses has been included in the previous year's annual accounts.</p>
<p>5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/></p>

5.6	Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)? Yes <input type="checkbox"/> No <input type="checkbox"/>
5.7	Environmental / Carbon impact Does the report / project / practice contain information that has an impact on any environmental or carbon matters? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.8	Communications impact Does the report contain any information that has an impact on the council's communications activities? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.9	Risk impact Is there a risk impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?
5.10	Armed Forces Covenant Duty Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.
5.11	Children's rights and wellbeing impact Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC). If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out? Yes <input type="checkbox"/> No <input type="checkbox"/>

North Lanarkshire Council Report

Education, Children and Families Committee

Does this report require to be approved? ☒ Yes ☐ No

Ref: GMcL / TO'H

Date 10/09/24

Annual Bad Debt Write-Off Exercise

From: Gerard McLaughlin, Chief Officer (Education North)

E-mail: McLaughlinG@northlan.gov.uk **Telephone:** 01698 812269

Executive Summary

This report provides a summary of outstanding debtor accounts relating to previous financial years which are considered to be uncollectible following approved recovery procedures, or are not economically viable to continue pursuing. In accordance with Council's Financial Regulations, a provision for expected credit losses has previously been established for the outstanding accounts. The total value recommended for write-off for 2024/25 is £15,755.58.

Recommendations

It is recommended that the Education, Children and Families Committee:

- (1) Acknowledge the decision of the Chief Officer (Education North) and Chief Officer (Financial Solutions), under delegated responsibilities, to write-off a total of £2,778.05 for outstanding debtors accounts under £500.
- (2) Approve the write-off of £12,977.53 for outstanding debtors accounts over £500.
- (3) Remit the content of this report to the Finance and Resources Committee.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1. Under delegated responsibilities, North Lanarkshire Council's approved Financial Regulations require Chief Officers and the Chief Officer (Financial Solutions) to approve the write-off of outstanding accounts of less than £500. In addition, the aligned parent Committee is required to approve the write-off of outstanding accounts due to the Council which are greater than £500.
-

2. Report

Chargeable Activities and Recovery Actions

- 2.1.1. The Education, Children and Families Service provide a range of chargeable activities such as, but not limited to, cross boundary and inter-authority charges for external pupils attending NLC schools and nurseries, educational leadership and training courses and nursery wraparound hours.
- 2.1.2. For context, during the 2023/24 financial year, the Education, Children and Families Service raised 520 invoices which had an aggregate total value of £2.801m. In conjunction with the Corporate Debt Recovery Team, every effort has been made by the Service to fully recover outstanding accounts including reminder correspondence, use of collection agents, and legal action. The value of the accounts identified for write-off in this report represent a small proportion (less than 1%) of the total value of invoices raised each year by the Service.
- 2.1.3. Despite these proactive actions, there are several accounts that have been deemed uncollectible and/or are considered not economically viable to engage in further collection initiatives. The annual process of assessing the likelihood of the non-recovery of debt conforms to accepted accounting best practice and is a realistic assessment of expected levels of future payment.

Analysis of Write-Off

- 2.1.4. A critical and in-depth analysis of the outstanding balances was conducted resulting in a write-off total of £15,755.58 represented by £2,778.05 (accounts < £500) and £12,977.53 (accounts > £500) respectively.
- 2.1.5. There are several reasons why the outstanding balances have been identified for the purposes of the annual write-off process. These are aggregated as follows:
 - 1) **Deceased**
The debtor is deceased and there have been insufficient funds within the estate to meet the outstanding sum due.
 - 2) **Recovery Exhausted**
All available avenues have been pursued and there is no prospect of recovery of funds.
 - 3) **Uneconomic to Pursue**

There are insufficient funds and/or no realisable assets that are available to meet the debt and it is uneconomic to continue to seek the outstanding sum due.

- 2.1.6. For additional information, the tables below provide an analysis of the proposed write-off by value (Table 1) and cause (Table 2) in line with the categories described previously.

Table 1

VALUE	£	No of Accounts
< £500	2,778.05	14
> £500	12,997.53	6
TOTAL	15,755.58	20

Table 2

CAUSE	£	No of Accounts
Deceased	0.00	0
Recovery Exhausted	15,697.48	16
Uneconomic to Pursue	58.10	4
TOTAL	15,755.58	20

- 2.1.7. There are no new financial implications linked to this report in relation to the current financial year. The write off costs will be supported via the relevant financial provision outlined in the Council's Annual Accounts.

3. Measures of success

- 3.1. The Corporate Debt Recovery Team and the Service will continue to monitor and review the volume and value of outstanding debts and seek recovery of all sums owed to the Council.

4. Supporting documentation

- 4.1. Not Applicable.

Gerard J. McLaughlin

Gerard McLaughlin
Chief Officer (Education North)

5. Impacts

<p>5.1</p>	<p>Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?</p> <p>If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.2</p>	<p>Financial impact Does the report contain any financial impacts? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact? Approval of Annual Bad Debt Write Off Request.</p>
<p>5.3</p>	<p>HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.4</p>	<p>Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?</p>
<p>5.5</p>	<p>Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>5.6</p>	<p>Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?</p>

	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
5.7	<p>Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.8	<p>Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.9	<p>Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p>
5.10	<p>Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
5.11	<p>Children's rights and wellbeing impact</p> <p>Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

North Lanarkshire Council Report

Adult Care and Social Work Committee

Does this report require to be approved?

☒ Yes ☐ No

Ref DF/PMcA/MS/AM

Date

03/09/24

Sundry Debt Write Off 2024

From Diane Fraser, Head of Adult Social Work, Health & Social Care

E-mail fraserdi@northlan.gov.uk

Telephone 01698 332001

Executive Summary

The purpose of this report is to present to Committee a summary of outstanding debtor accounts which are deemed uncollectable following all attempts at recovery or are considered uneconomically viable to continue pursuing. In accordance with financial guidelines a bad debt provision has previously been established for the outstanding accounts highlighted below.

Recommendations

It is recommended that Committee:

- (1) Acknowledge the decision of the Chief Accountable Officer and the Head of Financial Solutions under delegated responsibilities to write off £140,917.93 for debts under £500.
- (2) Approve the write off of £19,581.98 which includes debts greater than £500.
- (3) Remit this report to Finance & Resources Committee.

The Plan for North Lanarkshire

Priority	Improve North Lanarkshire's resource base
Ambition statement	(21) Continue to identify and access opportunities to leverage additional resources to support our ambitions
Programme of Work	Statutory / corporate / service requirement

1. Background

- 1.1 During 2023/24 the Council issued invoices with the approximate value of £117m.
- 1.2 Within Adult Health & Social Care there are a number of chargeable services mainly in the following areas:
 - Home Care Charges

- Nursing Home and Residential Home Accommodation Charges
 - Community Alarms
 - As well as chargeable services, invoices are raised to other local authorities, health, and universities.
- 1.3 The value of Adult Health & Social Care invoices raised during 2023/24 was £59m. This figure includes invoices raised to other local authorities, health, and universities (£58m).
- 1.4 In conjunction with the corporate debt recovery team, every effort is made to recover any unpaid debt including reminder letters, the use of collection agents and legal action. However, despite these steps there are a number of debts that are deemed uncollectible or are considered not economically viable to engage further collection activities and costs. This annual process of assessing the likelihood of debt non-recovery conforms to accepted best accounting practice and is a realistic assessment of expected income.
- 1.5 The Council will continue to seek collection of the outstanding balance if the circumstances of the debtor alter, and recovery is deemed practical.

2. Report

- 2.1 Analysis of the outstanding balances has been conducted and £160,499.91 has been identified as uncollectable.
- 2.2 There are a number of reasons why the outstanding balances are being written off and these are summarised below:
- a) Deceased. The debtor is deceased and there have been insufficient funds within the estate to meet the sum due.
 - b) Small Balances/Uneconomic to Pursue. There are insufficient funds or no realisable assets that are available to meet the debt and it is uneconomic to continue to seek recovery of the sum due.
 - c) Gone Away. The debtor has moved address and cannot be located.
 - d) Recovery exhausted. Despite all efforts the service has now been informed that these accounts will not be recovered.
 - e) Other.
- 2.3 The following tables categorise the value of debt recommended for write off by cause and value:

Deceased	13	6,206.03
Small Balances/Uneconomic to Pursue	6	6,370.19
Gone Away	0	0
Recovery Exhausted	23	7,875.84
Other	10,008	140,047.85
Total	10,050	160,499.91
Value Analysis		
< £500	10,041	140,917.93
> £500	9	19,581.98
Total	10,050	160,499.91


- 2.4 The value of accounts identified for write off represents a very small proportion of the accounts raised annually by Adult Health & Social Care. This is reflective of a number of activities aimed at improving collection rates, reducing debt arising and streamlining the recovery process.

3. Measures of success

- 3.1 The Service continues to engage in a number of activities aimed at improving collection rates, reducing debt arising and streamlining the recovery process.
- 3.2 These include:
- Implementation of Debt Recovery Procedures
 - Performance Management Reports
 - Payment Arrangements
 - Payment by Direct Debit
- 3.3 The Council will continue to seek collection of the outstanding balance if the circumstances of the debtor alter, and recovery is deemed practical.

4. Supporting documentation

- 4.1 n/a



Diane Fraser
Chief Officer / Head of Service (Adult Social Work Services)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
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5.6 Technology / Digital impact Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact?

	<p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
5.7	<p>Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.8	<p>Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.9	<p>Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p>
5.10	<p>Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>
5.11	<p>Children's rights and wellbeing impact</p> <p>Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☒ Yes ☐ No

Ref JMcK/BF

Date

13/09/23

Annual Procurement Report 2023/24

From James McKinstry, Chief Officer (Assets and Procurement)

E-mail mckinstryj@northlan.gov.uk

Telephone

07939 281 012

Executive Summary

To comply with the main procurement legislation 'The Procurement Reform (Scotland) Act 2014', the council is required to prepare and publish an Annual Procurement Report that details the procurement activity undertaken in the most recently completed financial year.

This Annual Procurement Report covers the period 1 April 2023 to 31 March 2024 and provides:

- an outline of the procurement activity undertaken;
- a summary of performance against the council's Procurement Strategy 2023/24;
- the national procurement reporting metrics (Annex 1);
- a list of completed Regulated Procurements in financial year 2023/24(Annex 2); and,
- a list of expected Regulated Procurements for 2024/25 and 2025/26 (Annex 3).

The council are required by legislation to publish the Annual Procurement Report online and to share a copy with Scottish Ministers.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Approve the content of this report;
- (2) Endorse publication of the Annual Procurement Report 2023-24 on the Internet; and
- (3) Acknowledge the requirement to notify Scottish Ministers on publication of the Annual Procurement Report 2023-24.

The Plan for North Lanarkshire

Priority All priorities

Ambition statement All ambition statements

Programme of Work All Programmes of Work

1. Background

- 1.1. As legislated through the Procurement Reform (Scotland) Act 2014 (the “Act”), the council is required to prepare an annual procurement report as soon as reasonably practicable after the end of that financial year.
- 1.2. The Act sets out specific details to be covered by the Annual Procurement Report:
 - a summary of the regulated procurements that have been completed in the previous financial year;
 - a review of whether those procurements complied with the council’s procurement strategy, and where any regulated procurements did not comply, a statement of how the council intends to ensure that future regulated procurements do comply;
 - a summary of any community benefits fulfilled from regulated procurements;
 - a summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements;
 - a summary of the regulated procurements the council expects to commence in the next two financial years; and
 - such other information as the Scottish Ministers may by order specify.
- 1.3. The Act requires that the council publish the annual procurement report online and to notify Scottish Ministers; this is important as Scottish Ministers must prepare a report on procurement activity in Scotland using the information contained in annual procurement reports of all relevant public bodies. Scottish Ministers are required to publish their report and lay a copy before the Scottish Parliament.
- 1.4. The Act required Scottish Ministers to publish guidance for the consistent data gathering and preparation of annual procurement reports and procurement strategies; this was done through the Scottish Procurement Policy Note, SPPN 2/2023.
Website link: <https://www.gov.scot/publications/public-procurement-annual-procurement-reports-for-2022-2023-and-2023-2024-sppn-2-2023/>.

2. Report

- 2.1. This is the council’s seventh Annual Procurement Report and covers the period 1 April 2023 to 31 March 2024.
- 2.2. The relevant procurement strategy associated to this paper is “Procurement Strategy 2023-24”; this was approved at Finance and Resources Committee on the 14th September 2022 and is published on the council website.
Website link: [Finance and Resources, Cycle 3 2022, Procurement Strategy 2023/24](#)
- 2.3. The Act sets out specific details to be covered by the Annual Procurement Report:
 - 2.3.1. a summary of the regulated procurements that have been completed in the previous financial year:
 - there were 103 Regulated Procurements undertaken, with a total Agreement Value of £145 Million.
 - Please refer to the Annual Procurement Report 2023/24 - Annex 2 for full details.

- 2.3.2. a review of whether those procurements complied with the council's procurement strategy, and where any regulated procurements did not comply, a statement of how the council intends to ensure that future regulated procurements do comply:
- All 103 Regulated Procurements undertaken complied with the council's Procurement Strategy 2023/24.
 - Please refer to the Annual Procurement Report 2023/24 - section 4 where further comments are included.
- 2.3.3. a summary of any community benefits fulfilled from regulated procurements:
- It is mandatory to consider Community Benefits in Agreements over £4M; the council had 7 Agreements in this value range, all 7 included Community Benefits.
 - Please refer to the Annual Procurement Report 2023/24 in which section 5 and also Annex 1 item 4 provide further comments on community benefits achieved.
- 2.3.4. a summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements:
- A total spend of £922,321 was made with Supported Businesses.
 - Please refer to the Annual Procurement Report 2023/24 section 6 and also Annex 1 item 7 provide further details.
- 2.3.5. a summary of the regulated procurements the council expects to commence in the next two financial years:
- There are 137 Regulated Procurements known at this time, which are expected to be undertaken in the next two financial years. It is probable that additional requirements will emerge, and procurements on the list are subject to change.
 - Please refer to the Annual Procurement Report 2023/24 - Annex 3 for full details.
- 2.3.6. There is no other information specified by Scottish Ministers required for this Annual Procurement Report.
- 2.4. As indicated in the Annual Procurement Report 2022/23 to Committee last year, additional procurement metrics are recorded and reported through the Local Government Benchmarking Framework and the council's own Strategic Performance Framework that tracks the council's procurement activity over an extensive period of time.

3. Measures of success

- 3.1 Report information fully complies with the legislative requirements set by the Procurement Reform (Scotland) Act 2014.
- 3.2 Report data fully complies with the template requirements set out in the Scottish Procurement Policy Note, SPPN 2/2023.

4. Supporting documentation

- 4.1 Appendix 1 – Annual Procurement Report 2023-24



James McKinstry
Chief Officer (Assets and Procurement)

5. Impacts

5.1	Public Sector Equality Duty and Fairer Scotland Duty
Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
5.2	Financial impact
Does the report contain any financial impacts?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, have all relevant financial impacts been discussed and agreed with Finance?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.3	HR policy impact
Does the report contain any HR policy or procedure impacts?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, have all relevant HR impacts been discussed and agreed with People Resources?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.4	Legal impact
Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)?	
Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic?	
Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
The Annual Procurement Report has been prepared in accordance with requirements set by the Procurement Reform (Scotland) Act 2014 and supporting guidance from Scottish Procurement Policy Note SPPN 2/2023.	
5.5	Data protection impact
Does the report / project / practice contain or involve the processing of personal data?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, is the processing of this personal data likely to result in a high risk to the data subject?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk	
Yes <input type="checkbox"/> No <input type="checkbox"/>	

5.6	<p>Technology / Digital impact</p> <p>Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?</p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
5.7	<p>Environmental / Carbon impact</p> <p>Does the report / project / practice contain information that has an impact on any environmental or carbon matters?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p>
5.8	<p>Communications impact</p> <p>Does the report contain any information that has an impact on the council's communications activities?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the impact?</p> <p>The Procurement Reform (Scotland) Act 2014 requires the publication of the annual procurement report online and to be shared with Scottish Ministers.</p>
5.9	<p>Risk impact</p> <p>Is there a risk impact?</p> <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <p>If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?</p> <p>Failure to publish the Annual Procurement Report and/or comply with the reporting requirements would be a breach of the Procurement Reform (Scotland) Act 2014.</p> <p>The procurement risks associated to governance are managed at a corporate level.</p>
5.10	<p>Armed Forces Covenant Duty</p> <p>Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?</p> <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.</p>

5.11 Children's rights and wellbeing impact

Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?

Yes ☐ No ☒

If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).

If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?

Yes ☐ No ☒

Annual Procurement Report

Covering the period: 1 April 2023 to 31 March 2024

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1. GLOSSARY

- 1.1. **“Community Benefits”** requirements which deliver wider benefits in addition to the core purpose of a contract. These can relate to social, economic and environmental benefits.
- 1.2. **“Contractor”** any organisation that provides Supplies, Works or Services to the Council or on behalf of the Council.
- 1.3. **“Living Wage”** an independently calculated rate based on the cost of living and is paid voluntarily by employers. The rate is calculated each year in November by The Resolution Foundation on an analysis of the wage that employees need to earn in order to afford the basket of goods required for a decent standard of living. This basket of goods includes housing, childcare, transport and heating. The Real Living Wage is different to the UK government’s National Living Wage which is not calculated according to what employees need to live on.
- 1.4. **“Procurement”** the tasks and decisions which secure an external Contractor to provide what we want, at a price that we can afford. Activity is focused on the period from prior to advertising a tender to signing the contract. It includes both competitive tenders and circumstances where we negotiate with a single Contractor.
- 1.5. **“Regulated Procurements”** refers to any Procurement: above £50,000 for Supplies or Services; and above £2,000,000 for Works.
- 1.6. **“Services”** are those services that we buy including specialist support for vulnerable children and adults, and also repairs and maintenance services, financial advice, designs and surveys for new building works.
- 1.7. **“SME or Small and Medium Enterprises”** defined by the number of employees whereby micro is 9 or fewer, small is 10-50, medium is 51-250.
- 1.8. **“Supplies”** items that we buy, such as pens and paper, or plants and seeds, or fruit and vegetables.
- 1.9. **“Sustainable Procurement”** a process whereby organisations meet their needs for Supplies, Services and Works in a way that achieves value for money and generates benefits, not only for the organisation but also to wider society, the economy and the environment.
- 1.10. **“Supplier Development Programme”** is a public sector organisation who offer expert training, support and information to businesses develop and compete for Contracts.
- 1.11. **“Supported Business”** are social enterprises whose main aim is to integrate disabled or disadvantaged people socially and professionally. Their workforce must be at least 30% disabled or disadvantaged.

- 1.12. **“Third Sector”** is the group name for a range of organisations including community groups, charities, voluntary organisations, faith groups, social enterprises, community interest companies. Third sector organisations may be registered charities and may be registered companies. They include small, local groups and large multinational operations, and everything in between.
- 1.13. **“Works”** is the construction works that we buy, including construction of new buildings, or extensions, and creation and improvements to roads and bridges and open spaces.

2. INTRODUCTION

- 2.1. North Lanarkshire Council (the “Council”) is a unitary authority, the fourth largest in Scotland, and is responsible for the delivery of a wide and diverse range of statutory and discretionary public services.
- 2.2. The Council deliver services through a mixed economy acting as both a provider, through direct provision of services using its own workforce and assets, and an enabler with services delivered through private Contractors, the Third Sector and Supported Businesses.
- 2.3. During the financial year 2023/24 the Council spent £635 Million excluding VAT on goods, services and works to conduct our operations and delivery of public services.
- 2.4. The Procurement Reform (Scotland) Act 2014 (the “Act”) requires us to prepare an ‘Annual Procurement Report’ (“APR”) on our Regulated Procurement activities as soon as reasonably practicable after the end of each financial year.
- 2.5. Accordingly, we are pleased to publish our seventh APR covering the period 1 April 2023 to 31 March 2024. This reporting period is aligned to [Procurement Strategy 2023/24](#) which is published on the Council’s website for reference.
- 2.6. National guidance in the form of a procurement policy note, [SPPN 2/2023](#), was published 4 May 2023; this provided an APR template designed to assist public bodies meet their reporting obligations from the Act and to gather data in a consistent way. This guidance applies to both annual procurement reports for 2022/23 and 2023/24.

3. **REGULATED PROCUREMENT ACTIVITY 2023/24**

The Act requires the APR to provide a summary of the Council's Regulated Procurements that have been completed

3.1. For the reporting period 2023/24:

- 103 Regulated Procurements were undertaken that lead to contract awards being made,
 - the total value of all contracts established following a Regulated Procurement exercise was £145 Million – *note that this includes a mix of one-off and multi-year contracts in which some spending against these contracts may have occurred already but there will also be future spend from these contracts in accordance with the multi-year contract durations;*
 - 196 unique Contractors were appointed across those contract awards of which 160 (81.63%) of the unique Contractors are SMEs;
 - the SME's account for around £38 Million (26.22%) of the total contract award value; and
 - 79 (40.31%) of the unique Contractors are based in the North Lanarkshire Council area and they account for around £62 Million (40.31%) of the total contract award value.

3.2. The Council itself is committed to national guidance for Fair Work First in Procurement, and measures are incorporated into our procurement procedures; this is evident in all our Regulated Procurement contract awards. ¹For Contracts in scope, we are pleased that 132 (94.29%) of unique Contractors have committed to pay the real Living Wage.

3.3. All reporting indicators on Regulated Procurement that are requirements under the Act and set out in a national format by SPPN 2/2023 are included at **ANNEX 1**. A list of the 103 Regulated Procurements are included at **ANNEX 2**.

¹ Contracts for Transport of Pupils with Additional Support Needs is not considered in-scope for this metric

4. COMPLIANCE WITH PROCUREMENT STRATEGY

The Act requires the APR to provide a review of whether the Regulated Procurements undertaken complied with the Council's [Procurement Strategy 2023/24](#), and where any Regulated Procurements did not comply, to provide a statement of how the council intends to ensure that future Regulated Procurements do comply

- 4.1. The Council are reporting that all 103 Regulated Procurements undertaken during the reporting period were in compliance with the [Procurement Strategy 2023/24](#).
- 4.2. In accordance with the direction of the [Procurement Strategy 2023/24](#), measures in place that have led to the successful result include:
 - all Council Procurements must be undertaken in accordance with our internal rules [General Contract Standing Orders \("GCSOs"\)](#) which set out essential requirements prior to tendering and post tender to ensure procurement is controlled and managed effectively, and strives to achieve best value;
 - A comprehensive procurement toolkit is in place for Regulated Procurement activity, containing templates and supporting documents, which are aligned with the national standards set by the [Procurement Journey](#). This ensures that the Council are complying in the procurement approach with the Sustainable Procurement duty, such as encouraging commitment from our tenderers to the seven principles of Fair Work First and seeking Community Benefit and/or social value.
 - There are frequent audits on procurement activity and procedures to ensure compliance with GCSOs, and to support continuous improvement.
 - The Act requires public bodies to give consideration whether to incorporate Community Benefit requirements as part of the Procurement when the estimated contract value is greater than or equal to £4 million; the Council comply with this requirement. The Council give enhanced consideration for Community Benefits for all Regulated Procurement for Supplies or Services, and for all Works procurements greater than £500k; this is incorporated into the pre-tender procedures.
 - The Council jointly host the annual Meet the "Real" Buyer Lanarkshire with South Lanarkshire Council, and have continued to support national events for suppliers led and organised by the Supplier Development Programme during the year in compliance with the [Procurement Strategy 2023/24](#).

5. COMMUNITY BENEFITS

The Act requires the APR to provide a summary of any community benefits fulfilled from Regulated Procurements

5.1. For the reporting period there were:

- 7 Regulated Procurements with a value of £4million or greater; all 7 (100%) contained Community Benefits.
- 15 Regulated Procurement with a value of between £1million and £4million; 13 (86.67%) of these contained Community Benefits.
- From the overall total of 103 Regulated Procurements undertaken, Community Benefits were included in 39 of these (38%).

5.2. All reporting indicators on Community Benefits that are requirements under the Act and set out in a national format by SPPN 2/2023 are included at **ANNEX 1 - 4 a) to j)**. The Council have included additional detailed measures in **ANNEX 1 - 4k)**.

6. SUPPORTED BUSINESSES

The Act requires the APR to provide a summary of any steps taken to facilitate the involvement of supported businesses in Regulated Procurements.

6.1. As mentioned at 4.2 above, for all Regulated Procurement, the Council's GCSOs and procurement toolkit ensure that pre-tender consideration is given to contracting opportunities that are suited to the offerings available from Supported Businesses.

6.2. The Council operate and actively promote a Supported Business 'North Lanarkshire Industries' ("NLI"). The Council has a number of contractual agreements in place with NLI for services including: the provision of furniture; furniture refurbishment; document storage; and, the servicing of fire equipment. The combined value of these arrangements with NLI amounted to a total spend of £737,869 during the APR reporting period.

6.3. Other spend with conducted with Supported Business amounted £184,452 to during the APR reporting period.

6.4. All reporting indicators on Supported Businesses that are requirements under the Act and set out in a national format by SPPN 2/2023 are included at **ANNEX 1 - 7a) to b)**.

7. REGULATED PROCUREMENTS EXPECTED DURING 2024/25 AND 2025/26

The Act requires the APR to provide a summary of the Regulated Procurements the Council expects to commence in the next two financial years

- 7.1. As per the requirements under the Act, a full list of known Regulated Procurement expected to be undertaken during the next two financial years are included in tabular format at **ANNEX 3**, and in summary:

- 137 Regulated Procurements are anticipated – this includes a mix of new requirements and renewals, with a mixed range of procurement approach that include our own tendering or procuring through collaborative frameworks.

- 7.2. The approximate aggregate contract value of these future Regulated Procurements is £534,952,306; this includes one-off activities and multi-year contracts.

None of these future Regulated Procurements are guaranteed; they are subject to change or deletion and there is scope for additional procurement requirements to emerge.

ANNEX 1: PROCUREMENT OUTCOMES

1. REPORT PARAMETERS

- 1.1. The following report information in parts 2-8 match the template provided through SPPN 2/2023; these indicators are required to conform with the requirements of the Act.

2. SUMMARY OF REGULATED PROCUREMENTS COMPLETED

Ref	Metric	2023/24
2a)	Total number of regulated contracts awarded within the report period	103
2b)	Total value of regulated contracts awarded within the report period	£145,056,977
2c)	Total number of unique suppliers awarded a place on a regulated contract awarded during the period	196
	i) how many of these unique suppliers are SMEs	160
	ii) how many of these unique suppliers are Third sector bodies	7

3. REVIEW OF REGULATED PROCUREMENTS COMPLIANCE

Ref	Metric	2023/24
3a)	Number of regulated contracts awarded within the period that complied with your Procurement Strategy	103
3b)	Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0

4. COMMUNITY BENEFIT REQUIREMENTS SUMMARY

Use of Community Benefit Requirements in Procurement:

Ref	Metric	2023/24
4a)	Total Number of regulated contracts awarded with a value of £4 million or greater.	7
4b)	Total Number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	7
4c)	Total Number of regulated contracts awarded with a value of less than £4 million that contain Community Benefit Requirements	32

Key Contract Information on community benefit requirements imposed as part of a Regulated Procurement that were fulfilled during the period:

Ref	Metric	2023/24
4d)	Number of Jobs Filled by Priority Groups (Each contracting authority sets its own priority groups)	40 posts
4e)	Number of Apprenticeships Filled by Priority Groups	3 posts
4f)	Number of Work Placements for Priority Groups	zero
4g)	Number of Qualifications Achieved Through Training by Priority Groups	zero
4h)	Total Value of contracts sub-contracted to SMEs	£12,925,181 total value of contracts sub-contracted
4i)	Total Value of contracts sub-contracted to Social Enterprises	
4j)	Total Value of contracts sub-contracted to Supported Businesses	

Other Community Benefits Fulfilled:

Ref	Theme	Benefit Category	2023/24 Outcome
4k)	1. Community Engagement	1.1 Financial Support for a Community Project / Organisation (minimum of £1k per project)	20 projects
		1.2 Non-financial Support for a Community Project / Organisation (days of support)	82 days
	2. Education based Skills and Training	2.1 MCR Pathways 1-2-1 Mentoring Programme (or equivalent Programme)	3 programmes
		2.2 Work Experience Placement for an individual aged 14 to 16 years of age	28 work placements
		2.3 Work Experience Placement to obtain a "Foundation Apprenticeship"	6 work placements
	3. Education based Support and Development	3.1 Educational Sponsorship	3 sponsorships
		3.3 Educational Support and Skills Transfer	26 sessions
		3.4 Educational Visits	74 school visits
		3.5 Educational Workplace Visit	38 workplace visits

	4. Supply Chain Development	4.1 Business Event / Briefing to promote supply chain opportunities	32 events
		4.2 Business Mentoring and Advice to support to an SME / Social Enterprise / Voluntary organisation	86 events
		4.3 New Job for a Graduate from a Priority Group	3 posts
		4.4 New Job for a Graduate not from a Priority Group	1 post
		4.5 New Job for an Individual not from a Priority Group	14 posts
		4.6 Work Experience Placement for an individual 16+ years of age	59 work placements

5. FAIR WORK AND THE REAL LIVING WAGE

Ref	Metric	2023/24
5a)	Number of regulated contracts awarded during the period that included a Fair Work First criterion.	² 102
5b)	Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	132
5c)	Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract during the period.	47

6. PAYMENT PERFORMANCE

Ref	Metric	2023/24
6a)	Number of valid invoices received during the reporting period.	339,306
6b)	Percentage of invoices paid on time during the period ("On time" means within the time period set out in the contract terms.)	92%
6c)	*Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	103
6d)	*Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	zero

***new requirement that only became effective June 2022 in accordance with [SPPN 2/2022](#)**

² Contract for Transport of Pupils with Additional Support Needs considered out of scope for this metric

7. SUPPORTED BUSINESSES SUMMARY

Ref	Metric	2023/24
7a)	Total number of regulated contracts awarded to supported businesses during the period	Zero
7b)	Total spend with supported businesses during the period covered by the report, including:	£922,321
	i) spend within the reporting year on regulated contracts	Zero
	ii) spend within the reporting year on non-regulated contracts	£922,321

8. SPEND AND SAVINGS SUMMARY

The section of reporting moves away from the Regulated Procurements undertaken to establish contracts that were effective from 2023/24 and available for use in future years.

The below table of information provides the general Council expenditure during 2023/24 alone i.e. money spent on goods, services and works to conduct our operations and delivery of public services.

Ref	Metric	2023/24
8a)	Total procurement spend for the period covered by the annual procurement report.	£635,352,568
8b)	Total procurement spend with SMEs during the period covered by the annual procurement report.	£280,408,830
8c)	Total procurement spend with third sector bodies during the period covered by the report.	£40,125,304
8d)	Percentage of total procurement spend through collaborative contracts.	42.33%
8e)	**Total delivered cash savings for the period covered by the annual procurement report	£366,522
8f)	**Total non-cash savings value for the period covered by the annual procurement report	£238,026

**** 8e) and 8f) are based on [SPPN 2/2023 – Annex A Annual Procurement Report Template, 'Procurement benefits reporting: guidance'](#).**

ANNEX 2: REGULATED PROCUREMENTS – COMPLETED 2023/24

Date of Award	Contract Title	Name of the Contractor(s)	Value of the Contract	Contract Start Date	Contract End Date incl. Extension
01/04/2023	Provision of Progress Maintenance and Support 2023-25	Progress Software Limited	£184,000.00	31/03/2023	31/03/2025
03/04/2023	Vocational and skill based interventions (Flexible Framework Entry Point 2)	5 Separate Appointments	£0.00	13/09/2021	12/09/2025
03/04/2023	MultiVue Suite Software Support & Maintenance 2023-25	Softcat PLC	£168,685.00	01/04/2023	31/03/2025
20/04/2023	Dementia – Post-diagnostic support for carers	Alzheimers Scotland	£498,000.00	01/06/2023	31/03/2025
21/04/2023	Bottled Watercoolers and Associated Products	Eden Springs UK Limited	£53,000.00	03/04/2023	02/04/2027
21/04/2023	Provision of Washroom Solutions 2023-27	Rentokil Initial UK Limited	£496,073.00	01/05/2023	30/04/2027
25/04/2023	Development of the North Lanarkshire Council Local Heat and Energy Efficiency Strategy (LHEES) and Delivery Plan	Ricardo-Aea Limited	£79,718.00	02/05/2023	31/12/2023
27/04/2023	Void Property Energy Management	Help The Move Limited	£0.00	01/06/2023	31/05/2025
28/04/2023	Belziehill Interchange - Detailed Design (RT-21-011)	Systra Limited	£81,848.94	01/05/2023	28/02/2024
02/05/2023	MTC for Independent Auditing Services for Electrical Works 2023-2025 (HO HT 22 102)	Niceic Consulting (A Trading Brand Of Certsure LLP)	£80,000.00	02/05/2023	01/05/2026

12/05/2023	Direct Award of Vehicles for Health and Social Care	SuzUKi GB PLC	£499,990.55	15/05/2023	30/06/2023
12/05/2023	School Walking Routes (RT-23-002)	Atkins Realis Limited.	£99,882.32	15/05/2023	31/03/2025
18/05/2023	Provision of a Committee Management ICT Solution	Astech Consultants	£52,000.00	03/07/2023	02/07/2027
22/05/2023	Design and Build of a Play Area - P1. The Loaning	Kompan Scotland Limited	£140,000.00	06/06/2023	06/06/2024
22/05/2023	Design and Build of Multiple Play Areas - P2. Livingston Park, Millcroft Rd & Braehead Rd	Kompan Scotland Limited	£260,000.00	06/06/2023	06/06/2024
22/05/2023	Design and Build of a Play Area P3. Millerston Recreation Ground	Kompan Scotland Limited	£120,000.00	06/06/2023	06/06/2024
22/05/2023	Design and Build of a Play Area - P4. Newmains and Cleland	Kompan Scotland Limited	£235,000.00	06/06/2023	06/06/2024
22/05/2023	Design and Build of a Play Area - P5. Hartwood	Hags SMP Limited	£80,000.00	06/06/2023	06/06/2024
24/05/2023	Project Manager, Quantity Surveyor & Principal Designer Advisors for Gartcosh Community Hub	Hub South West Scotland Limited	£276,499.89	24/05/2023	31/03/2026
25/05/2023	NLC Ash Dieback Disease Action Plan	Mott Macdonald	£63,250.00	26/05/2023	22/11/2023
26/05/2023	Maintenance and Servicing Contract for Automatic Air Monitoring Equipment	Acoem UK Limited	£200,000.00	03/07/2023	03/07/2029
06/06/2023	Supply and Delivery of Liquid Fuels	2 Separate Appointments	£5,000,000.00	01/05/2023	31/03/2025

09/06/2023	Garden Assistance Scheme - North Zone	4 Separate Appointments	£861,600.00	21/06/2023	31/03/2025
15/06/2023	Business Support and Expert Help Services 2023 – 2025	24 Separate Appointments	£460,000.00	03/07/2023	31/03/2025
16/06/2023	Call-offs from Collaborative Framework - Fresh Meats, Cooked Meats and Fresh Fish	3 Separate Appointments	£2,785,000.00	19/06/2023	18/06/2027
21/06/2023	Bridge Inspections 2023-24	Atkins Realis Limited.	£417,678.21	03/07/2023	31/03/2024
26/06/2023	Provision of information and advice service (Autism)	Hope For Autism	£375,000.00	01/04/2022	31/03/2025
27/06/2023	Postal Services	Royal Mail Group	£450,000.00	01/07/2023	31/12/2023
29/06/2023	Asta Powerproject Hosted Solution 2023	Loadspring Solutions Limited	£55,810.00	30/06/2023	29/06/2026
30/06/2023	Cumbernauld Town Centre - Asset Management Services	2 Separate Appointments	£90,000.00	01/07/2023	30/06/2024
30/06/2023	Cumbernauld Town Centre - Property Management Services	Gatehouse Property Management Limited	£150,000.00	01/07/2023	30/06/2024
01/07/2023	Provision of Non Traditional Respite Services (Flexible Framework Entry Point 2)	3 Separate Appointments	£0.00	01/07/2023	30/11/2031
13/07/2023	Riverbank & Chryston Hubs - Supply, Delivery & Installation of Audio-Visual Equipment	SSUK	£62,846.76	30/06/2023	30/09/2023
14/07/2023	Rental of Co-Location Data Centre Services	HFD Datavita Limited	£171,000.00	01/08/2023	31/07/2026

14/07/2023	Unix Oracle Support Hosted Services	HFD Datavita Limited	£284,784.00	05/08/2023	04/08/2026
19/07/2023	Advocacy Provision – Coming Home Initiative	Equal Say Limited	£90,895.00	01/07/2023	30/06/2025
23/07/2023	Non Domestic Energy Efficiency (NDEE) - Phase 3	Asset Plus Energy Performance Limited	£3,883,365.34	24/07/2023	31/12/2025
28/07/2023	Postal Services	2 Separate Appointments	£2,280,282.75	01/01/2024	30/06/2026
02/08/2023	Purchase of Second-Hand School Buses	Prentice Westwood Limited	£660,000.00	03/08/2023	11/08/2023
03/08/2023	Development Support for the Social Enterprise Sector	Inspirent Limited	£210,000.00	14/08/2023	31/03/2025
08/08/2023	Supply & Delivery of Active Literacy Resources (Magnetic Boards & Letters)	Streamline Corporate Limited	£110,000.00	14/08/2023	13/08/2024
11/08/2023	Provision of Winter Related Services - Education & Corporate Estate	Ground Control Limited	£400,000.00	18/10/2023	17/10/2025
11/08/2023	Kennelling for Stray Dogs	Allers Farm Kennels Limited	£145,600.00	01/09/2023	31/08/2028
15/08/2023	Making Life Easier web-solution for Social Care	Adl Smartcare Limited	£291,268.92	01/08/2023	31/07/2027
18/08/2023	Online Knowledge Resource Library 2023-2027	Accuris Trading As Allium UK Holding Limited	£155,000.00	23/08/2023	22/08/2026
24/08/2023	Provision of Cloud Records Management - Avepoint	Computacentre UK Limited	£86,195.00	25/08/2023	24/08/2025

24/08/2023	Purchase of Three (3) 16t RCV's	Faun Zoeller UK Limited	£496,500.00	24/08/2023	30/09/2023
25/08/2023	Live Labs 2 - Professional Services	Amey OW Limited	£2,600,000.00	01/09/2023	31/08/2027
30/08/2023	Signs of Safety Approach	Leigh Taylor Limited	£95,000.00	02/10/2023	01/04/2025
31/08/2023	Services linked to Scottish Attainment Challenge (SAC) and Pupil Equity Fund (PEF) (Flexible Framework Entry Point 2)	25 Separate Appointments	£0.00	09/01/2023	08/01/2027
06/09/2023	Supply, Installation and Servicing of Stairlifts and Hoists	2 Separate Appointments	£12,000,000.00	01/10/2023	30/09/2028
07/09/2023	Recycling and Treatment of Kerbside Collected Paper and Card	Smurfit Kappa UK Limited	£0.00	01/10/2023	30/09/2026
15/09/2023	MTC for Controlled Door Entry Access Systems and Associated Works – Repairs and Servicing	DM Integrated Limited	£700,000.00	18/10/2023	17/10/2025
15/09/2023	Ravenscraig Access Infrastructure South- pre-works site security	Securigroup Limited	£145,000.00	18/09/2023	31/10/2024
27/09/2023	Administration Support of Engagement and Participation (Supported People)	North Lanarkshire Disability Forum	£900,000.00	02/10/2023	01/10/2026
29/09/2023	Stairwell Cleaning (Close Cleaning) Services 2024 - 2027	Caledonian Maintenance Services Limited	£1,600,000.00	15/01/2024	14/01/2028
29/09/2023	Recycling and Treatment of Wood collected from the Council's HWRC's	Henry Waste Management Limited	£58,800.00	02/10/2023	01/10/2027
13/10/2023	Recruitment Advertising & PINS	Spirit Media Scotland Limited	£1,039,000.00	16/10/2023	15/10/2027

13/10/2023	Cardio and Fixed Strength Equipment 2022-2027	Pulse Fitness Limited	£1,100,000.00	01/11/2023	31/10/2030
13/10/2023	RAAC Structural Surveys to Various Domestic / Non-Domestic properties within North Lanarkshire Council (HO MR 23 060)	G3 Consultants Engineering Limited	£250,000.00	16/10/2023	16/10/2025
13/10/2023	Hosting, Support & Licensing of Gladstone MRM Booking System 2023-2024	Computacentre UK Limited	£252,000.00	01/10/2023	30/09/2024
20/10/2023	Braidhurst Industrial Estate Works Contract	Tilbury Douglas Construction Limited	£5,861,989.00	16/10/2023	26/08/2025
25/10/2023	Enterprise Project - External Advisor Appointment	Turner & Townsend Cost Management Limited	£450,000.00	01/11/2023	30/09/2024
27/10/2023	Development of Mine Gas Spatial Planning Tool	WSP UK Limited	£110,000.00	30/10/2023	31/01/2025
03/11/2023	Treatment & Disposal of Inert waste and rubble collected from the Council's HWRC's	Henry Waste Management Limited	£313,236.00	01/11/2023	31/10/2027
08/11/2023	Purchase of 6 x 17 Seat Mini Bus	Taxi & Bus Conversion Limited	£452,893.50	09/11/2023	31/03/2024
15/11/2023	Mini Competition of Vehicles for Health and Social Care	SuzUKi GB PLC	£2,371,633.72	16/11/2023	29/02/2024
15/11/2023	Aids for Daily Living	Nottingham Rehab Limited	£2,500,000.00	01/12/2023	31/05/2026
17/11/2023	Jane's Brae Bridge Assessment (B8039/008)	Atkins Realis Limited.	£113,735.75	04/12/2023	31/03/2024
21/11/2023	Design and Build of Orbiston Community Hub	Hub South West Scotland Limited	£42,593,496.00	04/12/2023	06/12/2026

28/11/2023	Hosted Job Manager and Dynamic Scheduling Software Solution	Advanced Business Software And Solutions Limited	£155,253.90	01/11/2023	31/10/2024
01/12/2023	Equipment Adaptation Service ICT Solution	Softcat PLC	£120,870.00	01/10/2024	30/09/2029
18/12/2023	Targeted entrepreneurial support for Black and Minority Ethnic Groups (BAME)	Asian Business Chamber Limited	£155,362.00	08/01/2024	31/03/2025
20/12/2023	Early Learning and Childcare Services in North Lanarkshire (Flexible Framework Entry Point 2)	5 Separate Appointments	£0.00	01/08/2023	31/07/2027
20/12/2023	Purchase of 40 Cubic Yard Skips	Skip Units Limited	£245,100.00	08/01/2024	31/03/2024
21/12/2023	Purchase of Mobile Hardware	Vodafone UK Limited	£382,000.00	21/12/2023	29/02/2024
12/01/2024	Provision of a Digital Youth Academy	QA Limited	£175,000.00	15/01/2024	31/03/2025
22/01/2024	Home 2 School Transport Software Solution	Softcat PLC	£250,000.00	22/01/2024	30/01/2028
23/01/2024	Refurbishment of Phyllis Jane Court, Drummond Drive, Wishaw	Harley Haddow	£52,500.00	29/01/2024	30/08/2026
02/02/2024	Design, Supply and Build MUGAs 2023 - P7. Rosevale Crescent/Calder Park and Frankfield Road	Kompan Scotland Limited	£259,435.23	16/02/2024	16/09/2024
02/02/2024	Design, Supply and Build Wheeled Sports Area 2023 - P8. Kelvin Drive	Bendcrete Leisure Limited	£133,000.00	16/02/2024	16/09/2024
07/02/2024	ASN Extension and Refurbishment Works at Edward Lawson Centre, Wishaw (SPA ref 48627)	Hadden Group	£2,364,832.29	31/01/2024	18/06/2024

09/02/2024	Civica UK Limited 2024-2025 licence, support and maintenance schedule.	Civica UK Limited	£68,307.00	01/04/2024	31/03/2025
14/02/2024	Ad-Hoc Garden Works 2024	Tivoli Group Limited	£609,447.47	01/03/2024	28/02/2025
23/02/2024	Enterprise Asset Management Solution	Computacentre UK Limited	£6,049,049.65	01/12/2023	30/11/2035
23/02/2024	Design, Supply and Build Play Areas 2023 - P1. Gartleahill and Craigneuk	Kompan Scotland Limited	£189,619.75	26/02/2024	26/09/2024
23/02/2024	Design, Supply and Build Play Areas 2023 - P2. Keniburn Avenue and Baird's Avenue	Hags SMP Limited	£99,578.00	26/02/2024	26/09/2024
23/02/2024	Design, Supply and Build Play Areas 2023 - P3. Bogside Park and Lochside, Gartcosh	Kompan Scotland Limited	£169,998.57	26/02/2024	26/09/2024
23/02/2024	Design, Supply and Build Play Areas 2023 - P4. Lyman Drive and King George V, Wishaw	Kompan Scotland Limited	£189,936.90	26/02/2024	26/09/2024
23/02/2024	Design, Supply and Build Play Areas 2023 - P5. Roman Road and Kirkwood Junior	Proludic Limited	£200,000.00	26/02/2024	26/09/2024
23/02/2024	Design, Supply and Build Play Areas 2023 - P6. Plains Outdoor Gym and Overton Outdoor Gym	Proludic Limited	£80,000.00	26/02/2024	26/09/2024
07/03/2024	East Airdrie Link Road – Preliminary Design, DMRB Stage 3 Assessment and Statutory Procedures	Atkins Realis Limited.	£2,894,871.00	18/03/2024	29/07/2025
07/03/2024	Purchase of 15 x 26t Refuse Collection Vehicles (RCVs)	Faun Zoeller UK Limited	£3,208,845.00	12/02/2024	31/12/2024
08/03/2024	Distress Brief Intervention (DBI)	Lifelink	£1,917,013.00	01/04/2024	31/03/2027

13/03/2024	Wholelife Family Support	Barnardos	£4,080,000.00	01/04/2024	31/03/2027
18/03/2024	Dynamic Scheduling Tool (DST) for Social Work Services	Computacentre UK Limited	£2,209,000.00	18/03/2024	17/03/2030
21/03/2024	Mobile Voice and Data Inclusive of Hardware	Vodafone UK Limited	£1,685,000.00	25/03/2024	24/03/2028
22/03/2024	Turnstall CAS (Community Alarm System) Solution Renewal	Tunstall Healthcare Limited	£107,150.00	01/04/2024	31/03/2026
25/03/2024	Cumbernauld Town Centre Client Interface 2024 - 2025	Avison Young (UK) Limited	£100,000.00	01/04/2024	30/09/2025
26/03/2024	Provision of Banking Services 2024-2026	Royal Bank Of Scotland	£120,000.00	01/04/2024	31/07/2026
26/03/2024	Repair & Maintenance of Catering Equipment	2 Separate Appointments	£726,000.00	01/04/2024	30/06/2026
27/03/2024	Provision of Audio Visual Equipment for Education & Corporate Establishments	Avmi Kinly Limited	£5,000,000.00	28/03/2024	27/03/2028
30/08/2023	Transport of Pupils with Additional Support Needs	https://www.northlanarkshire.gov.uk/sites/default/files/2023-12/2023%20ASN%20Contract%20Awards%20for%20publication.xlsx	£11,912,249.50	01/08/2023	30/06/2026

ANNEX 3: REGULATED PROCUREMENTS – PLANNED 2024/25 and 2025/26

Requirement Title	Estimated Value / Budget	Anticipated Procurement Start Date	Anticipated Contract Start Date	Proposed Route to Market
Disposal and Treatment of Cardboard collected from the Council's HWRC's	£0.00	Apr 2024	Sep 2024	Call-off from 3rd Party Framework
Fuel Cards & Associated Services	£200,000.00	Apr 2024	Sep 2024	Call-off from 3rd Party Framework
MTC - Fire Alarms, Smoke Alarms and Protection Systems Servicing and Maintenance (Housing)	£175,000.00	Apr 2024	Dec 2024	Open Procedure
New Build Housing - Coursington - Reprovisioning (60- units)	£15,000,000.00	Apr 2024	Oct 2024	Call-off from 3rd Party Framework
NEC4 Contract Management Software	£300,000.00	Apr 2024	Aug 2024	Call-off from 3rd Party Framework
Airdrie Town House Design Team	£350,000.00	Apr 2024	Sep 2024	Call-off from 3rd Party Framework
Street Sweeping Vehicles	£540,000.00	Apr 2024	Sep 2024	Call-off from 3rd Party Framework
Vehicle and Plant hire	£2,500,000.00	May 2024	Oct 2024	Call-off from 3rd Party Framework
SWF Provision of Domestic Furniture & Fittings	£10,000,000.00	May 2024	Oct 2024	Call-off from 3rd Party Framework
Flexible Framework - Provision of Non Traditional Respite Services - Entry Point 4	Zero Value; Framework already established	May 2024	Dec 2024	Open Procedure
Lanark County Council (Swedish Timber) Main Work Programme	£5,000,000.00	May 2024	Jan 2025	Open Procedure
Insulation Contract (Solid Walls)	£10,000,000.00	May 2024	Jan 2025	Open Procedure
Ravenscraig Access Infrastructure (New dual carriageway from Ravenscraig to Motherwell) - Works	£24,000,000.00	May 2024	Dec 2024	Call-off from 3rd Party Framework

Motherwell, Strathclyde Park Watersports Centre	£15,000,000.00	May 2024	Aug 2024	Call-off from 3rd Party Framework
Disposal/Recycling of Collected Co-Mingled CDR from Trade Waste Premises	£130,000.00	May 2024	Oct 2024	Call-off from 3rd Party Framework
Dalziel High School use of Dalziel Sports Pitches	£160,000.00	May 2024	Aug 2024	Negotiated Procedure
Drive Through Vehicle Wash	£90,000.00	Jun 2024	Jan 2025	Open Procedure
MTC - Floor Coverings, Repair/Replacement (Corporate)	£4,292,000.00	Jun 2024	Feb 2025	Open Procedure
Supply and Delivery of Heavy Vehicles	£5,000,000.00	Jun 2024	Dec 2024	Call-off from 3rd Party Framework
RAI Mtr Ravenscraig enabling groundworks	£2,500,000.00	Jun 2024	Dec 2024	Call-off from 3rd Party Framework
Mental Health Services	£3,009,144.00	Jun 2024	Feb 2025	Open Procedure
Optimised Routing & In-Cab Technology	£250,000.00	Jun 2024	Jan 2025	Call-off from 3rd Party Framework
Ravenscraig Access Infrastructure (Dualling of Airbles Road and junction improvements) - Works	£5,000,000.00	Jun 2024	Jan 2025	Call-off from 3rd Party Framework
Ravenscraig Access Infrastructure (Dualling of A723 from Ravenscraig to M8) - Works	£38,000,000.00	Jun 2024	Jan 2025	Call-off from 3rd Party Framework
Provision of Merchant Acquiring Services 2025-31	£1,250,000.00	Jun 2024	Apr 2025	Open Procedure
Landfill Leachate Removal Services	£500,000.00	Jun 2024	Nov 2024	Call-off from 3rd Party Framework
Supply & Delivery of Catering Sundries	£1,750,000.00	Jul 2024	Dec 2024	Call-off from 3rd Party Framework
Purchase of 18 x 26 seater buses	£2,000,000.00	Jul 2024	Dec 2024	Call-off from 3rd Party Framework

Disposal and Treatment of Gas Bottles collected from the Council's HWRC's	£50,000.00	Jul 2024	Dec 2024	Call-off from 3rd Party Framework
Disposal and Treatment of Engine oil collected from the Council's HWRC's	£50,000.00	Jul 2024	Dec 2024	Call-off from 3rd Party Framework
Net Zero Development Consultant	£150,000.00	Jul 2024	Aug 2024	Call-off from 3rd Party Framework
Grass to Synthetic Pitch Upgrades	£3,200,000.00	Jul 2024	Aug 2024	Call-off from 3rd Party Framework
MTC for Provision of Independent Gas Audits (Repairs)	£170,000.00	Jul 2024	Mar 2025	Open Procedure
Adult Advocacy Services	£1,375,000.00	Jul 2024	Mar 2025	Open Procedure
Advocacy Services for Children & Young People	£1,687,000.00	Jul 2024	Mar 2025	Open Procedure
Caledonian Road, Wishaw (Former Methodist Church)	£2,250,000.00	Jul 2024	Feb 2025	Call-off from 3rd Party Framework
Fire Extinguishers Parts and Maintenance	£300,000.00	Jul 2024	Dec 2024	Call-off from 3rd Party Framework
Supply & Delivery of Cars (VRP)	£681,340.32	Jul 2024	Dec 2024	Call-off from 3rd Party Framework
Supply & Delivery of Light - Medium Vehicles	£681,340.32	Jul 2024	Dec 2024	Call-off from 3rd Party Framework
Print and Associated Services (national)	£600,000.00	Jul 2024	Dec 2024	Call-off from 3rd Party Framework
Print and Associated Services (local)	£150,000.00	Jul 2024	Dec 2024	Call-off from 3rd Party Framework
Disposal and Treatment of Special Waste – car batteries collected from the Council's HWRC's	INCOME	Aug 2024	Mar 2025	Open Procedure
Design and Build Development Agreement for the Construction of St Kevin's Community Hub	£15,174,654.00	Aug 2024	Sep 2024	Call-off from 3rd Party Framework

Garden Assistance Scheme & Ad-Hoc Garden Works	£6,000,000.00	Aug 2024	Mar 2025	Open Procedure
Provision of information and advice service (Autism)	£375,000.00	Aug 2024	Apr 2025	Open Procedure
New Build Housing - Kings House, Wishaw	£3,400,000.00	Aug 2024	Feb 2025	Call-off from 3rd Party Framework
Civica APP replacement (management information system)	£220,000.00	Aug 2024	Apr 2025	Call-off from 3rd Party Framework
MultiVue Suite Software Support & Maintenance 2023-25	£168,685.00	Aug 2024	Apr 2025	Call-off from 3rd Party Framework
Framework Agreement for Furniture Manufacturing Supplies	£1,750,000.00	Sep 2024	Apr 2025	Open Procedure
Business Support and Expert Help Services 2023 – 2025	£1,000,000.00	Sep 2024	Apr 2025	Open Procedure
Business Gateway Specialist Support - Surgeries and Workshops	£100,000.00	Sep 2024	Apr 2025	Open Procedure
Legal Services Framework Agreement	£5,000,000.00	Sep 2024	Apr 2025	Open Procedure
Flexible Framework for Self-Directed Support - Entry Point 4	Zero Value; Framework already established	Sep 2024	Apr 2025	Open Procedure
Flexible Framework for Self-Directed Support - Entry Point 5	Zero Value; Framework already established	Sep 2024	Apr 2025	Open Procedure
MTC Asbestos Surveying to Domestic and Asbestos Air Monitoring, Sampling and Surveying to Non-Domestic Properties	£1,125,000.00	Sep 2024	May 2025	Open Procedure
Building Management Services	£2,000,000.00	Sep 2024	May 2025	Open Procedure
Replacement of Secure Web Gateway	£261,339.71	Sep 2024	Feb 2025	Call-off from 3rd Party Framework
Design Team appointment for design development / Masterplanning at Cumbernauld Town Centre	£100,000.00	Oct 2024	Mar 2025	Call-off from 3rd Party Framework

Demolition Design at Cumbernauld Town Centre	£100,000.00	Oct 2024	Mar 2025	Call-off from 3rd Party Framework
Disposal/Recycling of Scrap Metals via HWRC Sites	INCOME	Oct 2024	Mar 2025	Call-off from 3rd Party Framework
Net Zero Feasibility Study - Heat Networks	£150,000.00	Oct 2024	Mar 2025	Call-off from 3rd Party Framework
Net Zero Feasibility Study - Decarbonisation	£150,000.00	Oct 2024	Mar 2025	Call-off from 3rd Party Framework
Net Zero Feasibility Study - Energy	£150,000.00	Oct 2024	Mar 2025	Call-off from 3rd Party Framework
Design and Build of Extension to Chryston High School	£36,989,011.00	Oct 2024	Nov 2024	Call-off from 3rd Party Framework
Design and Build of Gartcosh Community Hub	£30,702,524.00	Oct 2024	Nov 2024	Call-off from 3rd Party Framework
Blackburn Houses in Wishaw	£5,500,000.00	Oct 2024	Jun 2025	Open Procedure
Supply and Delivery of Vehicle Parts	£750,000.00	Oct 2024	Apr 2025	Call-off from 3rd Party Framework
Housing Support Services	£4,250,000.00	Oct 2024	Jun 2025	Open Procedure
Provision of a Microsoft Enterprise Agreement SCE-EES 2022-25	£9,270,111.27	Oct 2024	Apr 2025	Call-off from 3rd Party Framework
Support Service for Domestic Abuse	£1,400,000.00	Oct 2024	Jun 2025	Open Procedure
Provision of Biomass Heating System Services and Supplies	£500,000.00	Oct 2024	May 2025	Open Procedure
Flexible Framework - Provision of Early Learning & Childcare Services Entry Point 4	Zero Value; Framework already established	Oct 2024	Aug 2025	Open Procedure
The Centre Cumbernauld Asset Management	£125,000.00	Oct 2024	Jan 2025	Negotiated Procedure

The Centre Cumbernauld Property Management	£200,000.00	Oct 2024	Jan 2025	Negotiated Procedure
Corporate Arrangement for the Supply and Delivery of Personal Protective Equipment (PPE)	£4,000,000.00	May 2025	Oct 2025	Call-off from 3rd Party Framework
Corporate Arrangement for the Supply, Delivery and/ or Installation of Office Furniture and Fittings	£1,500,000.00	Nov 2024	Apr 2025	Call-off from 3rd Party Framework
Corporate Arrangement for the Supply, Delivery and/ or Installation of Office Furniture and Fittings	£1,500,000.00	Nov 2024	Apr 2025	Call-off from 3rd Party Framework
Supply & Distribution of Fruit & Vegetables	£3,000,000.00	Nov 2024	Apr 2025	Call-off from 3rd Party Framework
New Build Housing - Hattonrigg Road, Bellshill	£5,000,000.00	Nov 2024	Feb 2025	Call-off from 3rd Party Framework
Professional Property Consultancy Services	£200,000.00	Nov 2024	Jun 2025	Open Procedure
Access Technology Company	£207,933.00	Nov 2024	Jan 2025	Negotiated Procedure
Airdrie Shopfronts (HES / NHLF) Design Team appointment	£50,000.00	Nov 2024	Mar 2025	Call-off from 3rd Party Framework
Airdrie Library	£80,000.00	Nov 2024	Mar 2025	Call-off from 3rd Party Framework
Supply and Delivery of Liquid Fuels	£5,000,000.00	Dec 2024	Apr 2025	Call-off from 3rd Party Framework
Provision of Progress Maintenance and Support 2023-25	£184,000.00	Dec 2024	Apr 2025	Negotiated Procedure
Dementia – Post-diagnostic support for carers	£498,000.00	Dec 2024	Apr 2025	H&SRS Award Without Competition
ASN Transport - 2025 batch of contracts	£8,513,495.00	Dec 2024	Aug 2025	Call-off from 3rd Party Framework
ICT Cabling and Asbestos Related Services	£644,000.00	Dec 2024	Jul 2025	Open Procedure

Remote CCTV Telephony and Data	£400,000.00	Dec 2024	Apr 2025	Call-off from 3rd Party Framework
Temporary Staff - Analysts / Programmers for HSMS	£300,000.00	Dec 2024	Apr 2025	Call-off from 3rd Party Framework
Supply of Natural Gas	£20,000,000.00	Dec 2024	Apr 2025	Call-off from 3rd Party Framework
MTC - Controlled Door Entry Access Systems and Associated Works - Repairs and Servicing	£700,000.00	Jan 2025	Sep 2025	Open Procedure
Structural Surveys to NLC Properties (RAAC)	£250,000.00	Jan 2025	Sep 2025	Open Procedure
Supply, Delivery, Installation & Maintenance of Vending Machines	£300,000.00	Jan 2025	Sep 2025	Open Procedure
Provision of Reverse Vending Machines	£850,000.00	Jan 2025	Sep 2025	Open Procedure
New Build Housing - Bank Street, Coatbridge	£5,100,000.00	Jan 2025	Jul 2025	Call-off from 3rd Party Framework
Vocational and skill based interventions - Entry Point 4	Zero Value; Framework already established	Jan 2025	Sep 2025	Open Procedure
Provision of support for people affected by Huntington's Disease	£398,898.00	Jan 2025	Apr 2025	H&SRS Award Without Competition
Design and Build for St Stephens Community Hub	£18,706,276.00	Jan 2025	Feb 2025	Call-off from 3rd Party Framework
Vocational and skill based interventions	£5,000,000.00	Jan 2025	Sep 2025	Open Procedure
Energy efficiency and Renewables upgrades to Palacerigg House and Visitor Centre	£150,000.00	Jan 2025	Jun 2025	Call-off from 3rd Party Framework
Airdrie Town House Works	£2,500,000.00	Feb 2025	Sep 2025	Open Procedure
Supply & Distribution of Groceries and Provisions	£9,000,000.00	Mar 2025	Aug 2025	Call-off from 3rd Party Framework

MTC - UPVC Door and Window Repairs and Maintenance	£7,500,000.00	Mar 2025	Nov 2025	Open Procedure
MTC for BEMS (Building Energy Management Systems) - Servicing and Maintenance	£825,000.00	Mar 2025	Nov 2025	Open Procedure
MTC Battery Storage Installations	£9,000,000.00	Mar 2025	Nov 2025	Open Procedure
MTC - Bitumen Macadam (Bitmac) Repairs - Corporate	£2,800,000.00	Mar 2025	Nov 2025	Open Procedure
New Build Housing - Kildonan Street, Coatbridge - Refurbishment and conversion to social housing	£15,000,000.00	Mar 2025	Sep 2025	Call-off from 3rd Party Framework
New Build Housing - Dunbeth - Reprovisioning (170 units)	£42,500,000.00	Mar 2025	Nov 2025	Call-off from 3rd Party Framework
Provision of Pantheon Website Hosting	£104,865.00	Apr 2025	Sep 2025	Call-off from 3rd Party Framework
Compliance Testing	£170,000.00	Apr 2025	Nov 2025	Open Procedure
Provision of Cloud Records Management - Avepoint	£86,195.00	Apr 2025	Aug 2025	Call-off from 3rd Party Framework
Provision of Adobe Acrobat Licensing	£184,693.55	May 2025	Oct 2025	Call-off from 3rd Party Framework
Secure Destruction and Shredding of Confidential Waste	£200,000.00	Jun 2025	Jan 2026	Open Procedure
Window and Glazing Cleaning	£250,000.00	Jun 2025	Jan 2026	Open Procedure
Solutions For ASN Pupils: Equipment & Adaptations	£480,000.00	Jun 2025	Feb 2026	Open Procedure
Provision of Banking Services 2026-32	£400,000.00	Jun 2025	Apr 2026	Open Procedure
Provision of Skip Hire	£150,000.00	Jun 2025	Nov 2025	Call-off from 3rd Party Framework

Collection and Recycling of Textiles	INCOME	Jun 2025	Jan 2026	Open Procedure
Maintenance and Repair of Building Cleaning Equipment	£300,000.00	Jul 2025	Feb 2026	Open Procedure
MTC Independent Gas Audit (Investment)	£80,000.00	Jul 2025	Mar 2026	Open Procedure
North Lanarkshire Adult and Young Carer Support Services	£1,791,242.00	Jul 2025	Mar 2026	Open Procedure
Provision of UiPath Licensing 2022-25	£160,180.65	Jul 2025	Dec 2025	Call-off from 3rd Party Framework
Provision of Ground Investigation Works and Surveys	£1,500,000.00	Sep 2025	Apr 2026	Open Procedure
Sheriff Officer Services	£900,000.00	Sep 2025	Apr 2026	Open Procedure
Revenues and Benefits System	£2,100,000.00	Sep 2025	Mar 2026	Call-off from 3rd Party Framework
Supply and Delivery of MFD Managed Print Service	£4,600,000.00	Sep 2025	May 2026	Call-off from 3rd Party Framework
Provision of an HR Case Management Solution	£1,327,200.68	Sep 2025	Jan 2026	Call-off from 3rd Party Framework
Provision of LAN / SAN Hardware Supply / Maintenance 2022-25	£3,932,110.91	Oct 2025	Apr 2026	Call-off from 3rd Party Framework
Design and Build of Glenboig Community Hub	£26,600,000.00	Nov 2025	Dec 2025	Call-off from 3rd Party Framework
New Build Housing - Masonic Hall Works	£2,500,000.00	Nov 2025	Apr 2026	Call-off from 3rd Party Framework
Sherlocks Works Consultancy	£150,000.00	Nov 2025	Mar 2026	Call-off from 3rd Party Framework
Bellshill ECO Park	£25,000,000.00	Dec 2025	Apr 2026	Call-off from 3rd Party Framework

Aids for Daily Living	£2,500,000.00	Dec 2025	Jun 2026	Call-off from 3rd Party Framework
Postal Services	£2,280,282.75	Dec 2025	Jul 2026	Call-off from 3rd Party Framework
Rental of Co-Location Data Centre Services	£171,000.00	Mar 2026	Aug 2026	Call-off from 3rd Party Framework
Unix Oracle Support Hosted Services	£284,784.00	Mar 2026	Aug 2026	Call-off from 3rd Party Framework

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved?

☐ Yes ☒ No

Ref JMcK/CPT

Date

11/09/24

Contracts awarded below Committee approval threshold

From James McKinstry, Chief Officer (Assets and Procurement)

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Telephone

07939 281 102

Executive Summary

In accordance with the Council's [General Contract Standing Orders \("GCSOs"\)](#), GCSO 21.10 requires a summary report be presented to members with details of contracts awarded since last committee, specifically for the spend range:

- over £50,000 but below £500,000 for supplies or services; and,
- over £500,000 but below £2,000,000 for works.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledge the contract awards made since last committee reporting cycle.

The Plan for North Lanarkshire

Priority All priorities

Ambition statement All ambition statements

Programme of Work All Programmes of Work

1. Background

- 1.1 The Local Government (Scotland) Act 1973 section 81 requires local authorities to “...make standing orders with respect to the making by them or on their behalf of contracts for the supply of goods or materials or for the execution of works.”.
- 1.2 The Council's [General Contract Standing Orders \(“GCSOs”\)](#) set out the council's specific procurement procedures and responsibilities at all spend levels, and include the reporting requirements of procurement activity, including contracts awards, to committee for either approval or acknowledgement.

2. Report

- 2.1 In accordance with GCSO 21.10, this report summarises the contract awards since last committee, specifically for the spend range:
- over £50,000 but below £500,000 for supplies or services; and,
 - over £500,000 but below £2,000,000 for works.
- 2.2 If you require further information regards the contract awards reported, please refer to the lead service area / Chief Officer detailed in the appendix.

3. Measures of success

- 3.1 All requirements contracted contribute to either the council's programme of work and/or fulfil a statutory requirement.
- 3.2 All contract awards secure best value for the council in accordance with their evaluation criteria.
- 3.3 All necessary diligence has been undertaken in the evaluation and appointment of contractors.
- 3.4 All contract awards are logged in the council's contract register.

4. Supporting documentation

- 4.1 Appendix 1 – Summary of contracts awarded.



James McKinstry
Chief Officer (Assets and Procurement)

5. Impacts

- 5.1 Impacts considered as part of the contract award procedures are recorded in the individual contract award reports held by the lead service area.

Appendix 1 – Summary of Contracts Awarded

Contract	Ref	NLC-SLP-23-134				
	Title	Treasury Management Advisory Services (2024-2027)				
	Classification	Services				
	Lead Service Area / Chief Officer	Elaine Kemp, Chief Officer (Financial Solutions)				
Competition	Governance by Value	Lower Threshold Regulated Procurement, procured in accordance with The Procurement Reform (Scotland) Act 2014 AND The Procurement (Scotland) Regulations 2016				
	Procurement Route	Single Stage Procedure				
	No. of Expressions of interest	8				
	No. of Bids Received	2				
	Award Criteria	Most Economically Advantageous Tender, 80%Quality:20%Price				
	Evaluation Scores – Successful	91.36%				
	Evaluation Scores – Unsuccessful	The 1 other tenderer failed to provide a price schedule, so bid was deemed invalid, unable to score.				
Award Details	Value	£87,000				
	Contract Duration	Initial 36 months plus option to extend by 12 months				
	Contractor Name	Arlingclose Limited				
	Contractor Size	Small				
	Contractor Location	London				
	Status - Payment of Living Wage?	Yes				
	Status - Living Wage Accredited?	No				
Impacts <i>this section highlights which impacts were considered for this contract award procedure</i>	Public Sector Equality Duty and Fairer Scotland Duty <input type="checkbox"/>	HR Policy Impact <input type="checkbox"/>	Data Protection Impact <input type="checkbox"/>	Environment / Carbon Impact <input type="checkbox"/>	Risk Impact <input checked="" type="checkbox"/>	Children's Rights and Wellbeing Impact <input type="checkbox"/>
	Financial Impact <input checked="" type="checkbox"/>	Legal Impact <input type="checkbox"/>	Technology / Digital Impact <input type="checkbox"/>	Communications Impact <input type="checkbox"/>	Armed Forces Covenant Duty <input type="checkbox"/>	
	Further details regarding these impacts can be obtained from the Lead Service Area / Chief Officer					

Contract	Ref	NLC-CPT-23-106				
	Title	Removal, Storage, Redistribution and Disposal Services 2024-26				
	Classification	Services				
	Lead Service Area / Chief Officer	James McKinstry, Chief Officer (Assets and Procurement)				
Competition	Governance by Value	Higher Threshold Regulated Procurement – The Public Contracts (Scotland) Regulations 2015				
	Procurement Route	Open Procedure				
	No. of Expressions of interest	18				
	No. of Bids Received	7				
	Award Criteria	Most Economically Advantageous Tender, 40%Quality:60%Price				
	Evaluation Scores – Successful	93.00%				
	Evaluation Scores – Unsuccessful	45.31% to 83.52%				
Award Details	Value	£450,000				
	Contract Duration	Initial 24 months with option to extend by a further 12 months				
	Contractor Name	Clockwork Removals Ltd				
	Contractor Size	Medium				
	Contractor Location	Edinburgh				
	Status - Payment of Living Wage?	Yes				
	Status - Living Wage Accredited?	No				
Impacts <i>this section highlights which impacts were considered for this contract award procedure</i>	Public Sector Equality Duty and Fairer Scotland Duty <input type="checkbox"/>	HR Policy Impact <input type="checkbox"/>	Data Protection Impact <input type="checkbox"/>	Environment / Carbon Impact <input type="checkbox"/>	Risk Impact <input type="checkbox"/>	Children's Rights and Wellbeing Impact <input type="checkbox"/>
	Financial Impact <input type="checkbox"/>	Legal Impact <input type="checkbox"/>	Technology / Digital Impact <input type="checkbox"/>	Communications Impact <input type="checkbox"/>	Armed Forces Covenant Duty <input type="checkbox"/>	
	Further details regarding these impacts can be obtained from the Lead Service Area / Chief Officer					

Contract	Ref	NLC-SLP-23-113				
	Title	Buchanan Centre Ground Floor Space Redesign				
	Classification	Works / Services				
	Lead Service Area / Chief Officer	James McKinstry, Chief Officer (Assets and Procurement)				
Competition	Governance by Value	Non-Regulated; procured in accordance with the council's General Contract Standing Orders				
	Procurement Route	tender published on Public Contracts Scotland portal per GCSO requirements				
	No. of Expressions of interest	33				
	No. of Bids Received	6				
	Award Criteria	Most Economically Advantageous Tender, 30%Quality:70%Price				
	Evaluation Scores – Successful	93.05%				
	Evaluation Scores – Unsuccessful	79.90% to 91.81%				
Award Details	Value	£665,469.05				
	Contract Duration	5				
	Contractor Name	Fleming Buildings Limited				
	Contractor Size	SME				
	Contractor Location	East Dunbartonshire				
	Status - Payment of Living Wage?	Yes				
	Status - Living Wage Accredited?	Yes				
Impacts <i>this section highlights which impacts were considered for this contract award procedure</i>	Public Sector Equality Duty and Fairer Scotland Duty <input type="checkbox"/>	HR Policy Impact <input type="checkbox"/>	Data Protection Impact <input type="checkbox"/>	Environment / Carbon Impact <input type="checkbox"/>	Risk Impact <input checked="" type="checkbox"/>	Children's Rights and Wellbeing Impact <input type="checkbox"/>
	Financial Impact <input type="checkbox"/>	Legal Impact <input type="checkbox"/>	Technology / Digital Impact <input type="checkbox"/>	Communications Impact <input type="checkbox"/>	Armed Forces Covenant Duty <input type="checkbox"/>	
	Further details regarding these impacts can be obtained from the Lead Service Area / Chief Officer					

Contract	Ref	NLC-CPT-23-075				
	Title	Provision of Banking Services 2024-2026				
	Classification	Services				
	Lead Service Area / Chief Officer	Elaine Kemp, Chief Officer (Financial Solutions)				
Competition	Governance by Value	The Framework terms & conditions, with adherence to the council's GCSO 13 on 3rd party frameworks				
	Procurement Route	Call-off following Direct Award using Third Party Framework				
	No. of Framework Contractors	Sole Contractor				
	Award Criteria	Best Value assessment, in accordance with the Framework Information				
	Comments	The procurement procedure was undertaken as a Direct Award from the Scotland Government Framework Agreement for the Provision of Banking Services, Reference SP-21-037.				
Award Details	Value	£120,000				
	Contract Duration	Initial 24 months, with option to extend by a further 4 months				
	Contractor Name	Royal Bank of Scotland				
	Contractor Size	Large Company				
	Contractor Location	City of Edinburgh				
	Status - Payment of Living Wage?	Yes				
	Status - Living Wage Accredited?	Yes				
Impacts <i>this section highlights which impacts were considered for this contract award procedure</i>	Public Sector Equality Duty and Fairer Scotland Duty <input type="checkbox"/>	HR Policy Impact <input type="checkbox"/>	Data Protection Impact <input type="checkbox"/>	Environment / Carbon Impact <input type="checkbox"/>	Risk Impact <input checked="" type="checkbox"/>	Children's Rights and Wellbeing Impact <input type="checkbox"/>
	Financial Impact <input checked="" type="checkbox"/>	Legal Impact <input type="checkbox"/>	Technology / Digital Impact <input type="checkbox"/>	Communications Impact <input type="checkbox"/>	Armed Forces Covenant Duty <input type="checkbox"/>	
	Further details regarding these impacts can be obtained from the Lead Service Area / Chief Officer					

Contract	Ref	NLC-SLP-24-007				
	Title	M365 Back Up Solution				
	Classification	Supplies				
	Lead Service Area / Chief Officer	Katrina Hassell, Chief Officer (Business and Digital)				
Competition	Governance by Value	The Framework terms & conditions, with adherence to the council's GCSO 13 on 3rd party frameworks				
	Procurement Route	Call-off following Direct Award using Third Party Framework				
	No. of Framework Contractors	1				
	Award Criteria	Best Value assessment, in accordance with the Framework Information				
	Comments	The procurement procedure was undertaken as a "Direct Award" via NHS Digital Workplace Solutions - SBS/19/AB/WAB/9411 framework agreement.				
Award Details	Value	£200,000				
	Contract Duration	36 months				
	Contractor Name	Softcat (UK) Plc				
	Contractor Size	Large Company				
	Contractor Location	Buckinghamshire				
	Status - Payment of Living Wage?	Yes				
	Status - Living Wage Accredited?	No				
Impacts <i>this section highlights which impacts were considered for this contract award procedure</i>	Public Sector Equality Duty and Fairer Scotland Duty <input type="checkbox"/>	HR Policy Impact <input type="checkbox"/>	Data Protection Impact <input type="checkbox"/>	Environment / Carbon Impact <input type="checkbox"/>	Risk Impact <input type="checkbox"/>	Children's Rights and Wellbeing Impact <input type="checkbox"/>
	Financial Impact <input checked="" type="checkbox"/>	Legal Impact <input type="checkbox"/>	Technology / Digital Impact <input checked="" type="checkbox"/>	Communications Impact <input type="checkbox"/>	Armed Forces Covenant Duty <input type="checkbox"/>	
	Further details regarding these impacts can be obtained from the Lead Service Area / Chief Officer					

